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Current History

A WORLD AFFAIRS MONTHLY

JANUARY, 1980

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Current History

JANUARY, 1980

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In this issue, seven articles deal with the nations of the Middle East, their strengths and weaknesses, their changing alignments, and the role played by the United States in the area. Our introductory article points out that "Despite the continuous recognition of the need to limit American commitments, we find ourselves more deeply committed in more dubious ways to more Middle Eastern governments than ever before. . . . Whatever solutions are likely to be provided in the Egyptian-Israeli settlement, in the Palestinian dispute, and in the . . . Lebanon conflict, they will not be self-administering. . . . There will apparently be an increasing American role" in that area of the world.

The United States in the Middle East

BY LEONARD BINDER

Professor of Political Science, University of Chicago

MIDDLE Eastern affairs are often prominently featured in an American presidential election, but this is the first election year in which the United States government is reacting to initiatives taken by Middle Eastern states rather than issuing broadly declaratory statements of its own good intentions. Many observers have noted that President Jimmy Carter won some sort of political victory in his "Camp David" policy; however, few have adequately noted the extent to which the original initiative was not American and the fact that since November 19, 1977, we have only rarely and briefly exercised any substantial initiative. Moreover, the United States has been forced to adapt to alien initiatives not merely in the Arab-Israeli dispute—or more precisely in the Egyptian-Israeli peace talks—but, even more important, in the areas of petroleum cartel politics and international financial stabilization.

The Iranian case is the most disturbing of all, because the loss of our initiative in slowly rebuilding our relationship with Iran was occasioned by a matter quite peripheral to our national interest, and from our point of view marginal to our present concerns in Iran. Nevertheless, the Iranian crisis continued a process already defined by a paradoxical combination of American hegemony and American passivity.

The tenacity with which the Carter team has adhered to the Camp David program is often explained as a consequence of the dearth of alternative

achievements, but critics of that policy argue that the cost of this perseverance is high in terms of the exclusion of other options and the negative impact of Camp David on Arab petroleum policies. Relevant alternative options might include closer cooperation with the Soviet Union, recognition of the Palestine Liberation Organization (PLO), the more active pursuit of a comprehensive solution, a more careful coordination of policy with Saudi Arabia, the application of pressure on Israel, or the formalization of a military and political alliance with Israel. However one may view these alternatives (and it is not unreasonable to see them all as less desirable than the Camp David program), it would be incorrect to assume that American adherence to the Camp David program is a matter of free choice.

In the period following the 1967 war, there were long years during which it was felt that the United States might safely put Middle Eastern issues on the back burner. Everyone knew that sooner or later decisive action would have to be taken, but in view of the far greater urgency which attended relations with the Soviet Union or various problems of domestic politics or the matter of the Asian war, it was felt that months or even a year or two might be allowed to pass in a condition of virtual stalemate.

For the most part, the risks of United States inaction were assessed in terms of the possibility that the Soviet Union might be willing and able to gain some advantage in its competition with the United

States. Despite frequent reference to such a danger, however, there was little evidence that the Soviet Union was bent on exploiting any opportunity to alter the great power balance in the Middle East. There has been a consistent exaggeration of the degree of Soviet influence in Syria and Iraq; there has been a tendency to overestimate the significance of the Soviet presence in South Yemen. It is also apparent that recent Soviet policy in Afghanistan is in difficulty, and it is not unlikely that the Soviets and their allies in Afghanistan may yet suffer a political setback of major proportions.

It is rather in Ethiopia, in an area that is strategically peripheral to the Middle East (though certainly not without great importance), that the Soviets have made measurable military and political gains.

Certainly, the Soviet Union has done little to sabotage the bilateral peace talks between Egypt and Israel. Soviet leaders took the deferral, if not the abandonment, of the Geneva conference more or less in stride. There has been little overt protest of the neglect of the joint American-Soviet statement of October 1, 1977. Above all, Soviet leaders have been willing to detach the current phase of Middle East diplomacy from the issue of détente. It is almost as if they have given their tacit acquiescence to the Camp David policy and as if they believe that their interests as well as those of the United States will be served if a partitive peace is achieved.

It may be argued that it would have been far easier for the United States to respond vigorously to a serious Soviet challenge than it is to respond effectively and credibly to the virtually independent maneuvering of the small and weak states that prevail throughout the Middle East. Without clear evidence of a Soviet challenge, there can be little justification for strong-arming fourth-rate powers. It is obviously easier to influence Middle Eastern states when they are alarmed by the possibility of Soviet encroachment, but this is a truism also well understood by the Soviet Union. Hence, the noticeable lack of Soviet pressure on our position in the Middle East may, in fact, be no more than a tactically prudent "lay-back" attitude. Presumably, the Soviet Union could challenge the United States in the Middle East at will, or it might react to any evidence of weakness, or, as some stubbornly argue, Soviet leaders may be trading off possible Middle East advantages in order to strengthen détente and/or to gain a favorable Strategic Arms Limitation Treaty (SALT).

It is, consequently, far from the mark to conclude that tentativeness is likely to become a permanent feature of Soviet foreign policy. It is far more reasonable to recognize that there will be periods during which it will make more sense to treat Middle Eastern problems on their own terms and other periods during which it will be better to consider first their conse-

quences for United States rivalry with the Soviet Union. It would be just as unwise to assume that Soviet policy is guided by some sort of uncanny prescience by means of which Moscow knows in advance when we will botch things badly on our own and when we will need their assistance.

The case in point is, of course, the Iranian revolution. Although Iranian foreign policy had become increasingly independent throughout the 1970's, the United States became ever more closely identified with the regime of Shah Mohammed Riza Pahlavi, probably because of our approval of Iranian foreign policy and our desire to maintain Iranian oil production and export at maximum levels. Although the popular press was often highly supportive of the Shah, the liberal and highbrow newspapers and magazines had begun to take note of the repressive aspects of the imperial regime. President Carter's own human rights campaign drew attention to political conditions within Iran. There was also a great deal of media interest in what were deemed to be the excessive arms purchases of the Iranian government.

Serious ideological embarrassments were involved in a close association with the government of Iran, but the importance of Iran to American interests was thought to be so great and the challenges to the regime were thought to be so small that it was believed prudent to suffer those embarrassments. Moreover, from our own perspective, we were not unequivocally associated with either the Shah's domestic or foreign policies. We nervously supported the improvement in Iranian-Soviet relations. We approved with some hesitation the Iranian-Iraqi agreement in 1975 to all but liquidate the Kurdish problem. We were pleased that Iran was willing to use force to keep the Straits of Hormuz open to tankers. While we were made uncomfortable by the Shah's advocacy of a more aggressive price strategy for the Organization of Petroleum Exporting Countries (OPEC), we were pleased that he insisted on the highest possible petroleum output, and we were not at all disturbed by the tensions and rivalries that bedeviled Iranian-Saudi relations. As it turned out, Iranian political and military intimidation could best be countered by Saudi price reductions and/or high production levels. Saudi policy was clearly calculated to appeal to Washington and to threaten Iran with a diminution of American support.

The United States was somewhat concerned that the Shah might move into some uncharted area in pursuit of irresponsibly perceived goals of prestige or regional leadership. Nevertheless, the Shah's international political excesses were primarily verbal. The extent to which he needlessly stockpiled arms may well have been exaggerated, but in any case the Shah did not use those arms and there is no indication that he would have done so in a dangerous manner. In fact,

his efforts at expanding Iranian influence in the region enhanced regional stability. The Shah was a moderating influence on Indo-Pakistani relations. He supported Egypt and the more moderate Arab states. He was willing to supply petroleum to Israel and thus relieve the United States of a significant obligation. The Shah sent some of his troops to help subdue the Dhofar rebellion against the Sultan of Oman and thus helped restrict the influence of the Communist-oriented government of South Yemen. There were, in fact, a great many reasons why Americans were willing to shut their eyes to the deplorable repressiveness of the Shah's regime.

The American dilemma was greatly eased by an unfounded belief in the relative invulnerability of the regime. We could, therefore, pressure the government of Iran to release political prisoners and we could limit our identification with the Shah, or so we thought. As the Shah's position weakened, the United States came under greater pressure to increase its moral and material support for his regime. Under the circumstances, it is not surprising that American policymakers began to assess alternative responses. We might support the Shah, but he might fall anyway. We might support the Shah, and he might hang on for a while, but the opposition might align itself with the Soviet Union. We might disassociate ourselves from the Shah and hope to rebuild good relations with a successor regime if the Shah fell. We might condition our support of the Shah on his making necessary reforms. We might attempt to select a successor government that would be cooperative and thus forestall a hostile outcome of the revolution by supporting a reformist alternative.

In somewhat the spirit of an exposé, the popular media reported that President Carter was angrily disappointed with American intelligence regarding the precariousness of the situation in Iran. To show that this was the result of culpable error rather than another uncertainty in a dangerously unknowable world, it was pointed out that Israeli intelligence knew all along that the Shah was doomed. There is a good deal of exaggeration in this report, but it is fair to say that there was a school of thought both in Israel and the United States that held that the Iranian role was vital and that there was no alternative to the Shah if that role were to continue. Even this absolutist point of view may lead to varying conclusions about how the Shah's government might have been preserved. In Israel, in Egypt and in Saudi Arabia, it was generally thought that the Shah would receive every available support, including military.

It is not likely that the United States would have pursued such a policy even if it regarded it as the only way to preserve the Shah's government. Instead, believing the regime's repressive strength to be more than sufficient to any realistic challenge, the adminis-

tration asked the Shah to weaken the opposition by making liberalizing reforms, to culminate in new parliamentary elections in the early summer of 1979. President Carter was angry not because he had not been advised to renew the Central Intelligence Agency (CIA) operation of 1953, but because he had been misled into believing that a liberal palliative would work.

When this policy was not effective, a second half-way measure was adopted. On December 29, 1979, the Shahpur Bakhtiar government was appointed by the Shah to prepare for elections; the Shah left the country shortly thereafter; and the generals were persuaded to stay with Bakhtiar and uphold constitutional legitimacy. Apparently the United States believed that the revolutionary movement would collapse if its middle class support could be separated from its extremist religious and leftist elements. With the aid of hindsight, it is clear the movement was too far advanced and that the military was too demoralized for the Bakhtiar device to work.

As a matter of fact, our eventual abandonment of the Shah had negative consequences for our relations with our Saudi, Egyptian and Israeli friends. Leaders of these three governments are sure that the United States could have saved the Shah but decided for irrational motives not to do so. Consequently, our Iranian policy has had considerable effect on the Saudi response to the Camp David program and on the success of American mediatory efforts to achieve an Israeli-Egyptian agreement. The Iranian revolution has not immediately enhanced the putative Soviet threat to the Persian Gulf, but it has made both Saudi and Egyptian leaders worry more about internal challenges to their authority.

American leaders may feel unjustly accused of complicity in the tyrannical rule of the Shah, but they have failed to make it clear that there was any basis for Iranian-American cooperation other than the mutual esteem and affection between the Shah and those leaders. Specifically, during the current crisis there has been no official statement of our long-standing friendship with and cultural interest in the Iranian people.

Although the United States was very much concerned with Iranian events, the highest priority was given to the search for an Egyptian-Israeli agreement and the effort to increase oil supplies while limiting price increases. The Camp David accords were signed before the fall of the Shah was certain. It was expected that the risks of a bilateral agreement that did not settle the Palestinian issue and that did not reconcile moderate and hardline Arab states would be rendered manageable because of the regional regulatory role played by Iran. But with Iran unable to exert any significant international pressure and with the growing pro-Palestinian sentiment of the revolutionary

movement, both Iraq and Saudi Arabia were free to challenge American policy. Furthermore, President Hafez al Assad of Syria, with 30,000 of his troops deployed in Lebanon, felt particularly threatened by the Camp David agreement and the potential freeing of Israeli forces from the Sinai front. Assad was consequently anxious to reduce long-standing tensions with the rival Ba'th regime in Iraq and his unexpected overtures were met with an equally unexpected favorable response in Baghdad.

Egyptian President Anwar Sadat's advisers had expected a reluctant acquiescence to the Camp David accords from Saudi Arabia, which for some time had been playing a conciliatory role among the Arab states. But Cairo miscalculated the impact of events in Iran as well as the appearance of moderation in both Damascus and Baghdad. Egyptian observers may have misled the United States; or American area specialists may be responsible for the belief that we could pressure the Saudis and the Jordanians into accepting the Camp David arrangement. There was considerable discussion among the highest Saudi leaders, but in the end those who distrusted the United States and advocated an "Arab" policy prevailed. The Saudis were pleased by Iraq's willingness to moderate anti-Egyptian sanctions and by the promise of an Iraqi-Syrian rapprochement and a Jordanian-PLO rapprochement. If both these disputes were mitigated and if Egyptian influence in the region remained restricted, there might be far less danger of an internal upheaval in Saudi Arabia, and the Middle East might be made safe for the Saudi monarchy.

American pressure was brought to bear on Saudi Arabia, but to little avail. The Saudi government believed that if it yielded to American preferences, these preferences might exacerbate inter-Arab disputes, drive the PLO to terrorist extremes, force Assad into the arms of Iraq's then Vice President Saddam Hussein, and open the gulf to disruptive political currents. American pressure would have been more persuasive if Baghdad had taken a more threatening stance or if Iranian oil production had remained at the 5.5-million-barrels-a-day level. As it turned out, American pressure backfired; Saudi Arabia made only perfunctory efforts to limit another steep OPEC price increase and to increase production to make up for the loss of more than half of Iran's production.

One can hardly avoid the impression that our official view of key Middle Eastern actors is disastrously one-dimensional, as though there is one and only one role that each can play. The Saudis are cautious, anti-Communist, religious and pro-West. The Iraqis are extremist, ideological, pro-Soviet and bloodthirsty. Jordan's King Hussein is moderate, rational and pro-West. Iranian revolutionaries are religious fanatics. Egypt's President Anwar Sadat is

only concerned with Egypt's economic problems. Saudi Arabia's King Khalid wants Jerusalem. Israeli President Menachem Begin is obsessed by biblical prophecy. Iraq's Hussein has to cooperate with the United States. Sadat knows his Arab colleagues and if he says that the Saudis would not dare abandon him he must be right.

The Syrian-Iraqi honeymoon has not lasted very long, after all, and the July, 1979, accession of Saddam Hussein to power in Baghdad cannot please the Saudis. Nevertheless, Saudi Arabia, Jordan and Morocco remain opposed to the Camp David accords. The external pressure is off the Syrians in Lebanon, where the various contending parties have settled down to an uneasy watchful waiting to see whether or not some form of regional settlement may end Lebanon's travail. In the meantime, the scope of American policy has surprisingly narrowed to two major positions: an unswerving but unimaginative support for the bilateral peace process between Egypt and Israel, and a barely audible insistence on the unobstructed flow of petroleum from the Persian Gulf.

These two aspects of our policy are thought to be linked, but there is considerable disagreement about the causal nexus that joins them. A few hold the facile belief that if we abandon our "special relationship" with Israel we will be assured of an adequate supply of Saudi petroleum at what we think are reasonable prices, just as there are those who fear that the United States can never do justice to its obligation to Israel without either "breaking" the petroleum cartel or becoming energy independent. Nevertheless, the two issues are clearly not independent, as evidenced by the Saudi decision temporarily to increase petroleum production by one million barrels a day. It is, however, the very obscurity of the motivation of this Saudi decision that indicates the subtlety of what is otherwise treated as a crude form of pressure. It has generally been argued that this temporary increase in production, meant to counterbalance the decline in Iranian output, was intended to induce the United States to pressure Israel to make concessions on the matter of West Bank autonomy in discussions with Egypt. Not only is this explanation too simplistic, but it suggests that if the Israelis soften their position Saudi Arabia might permanently increase her production. A more realistic assessment might hold that the temporary increase may indicate a variety of purposes not excluding any issue on the agenda.

In particular, Saudi Arabia does not wish to deny

(Continued on page 32)

Leonard Binder is a past president of the Middle East Studies Institute and a fellow of the Center for Advanced Study on the Behavioural Sciences. His latest book is *In a Moment of Enthusiasm* (Chicago: University of Chicago Press, 1978).

Noting that "at times, Turkish politicians, bureaucrats and economic advisers have seemed to dance almost drunkenly to economically destructive tunes," this specialist points out that "the music has stopped. Turkey's overloaded and overstrained economic system must be put in order, even though this may require enormous political courage on the one hand and great social discipline on the other."

Turkey Moves into the 1980's

BY DWIGHT JAMES SIMPSON

Professor of International Relations, San Francisco State University

AT the beginning of 1980, the Republic of Turkey is suffering from serious internal problems, some of which will probably be substantially diminished or even solved in a reasonably short time and others, far more profound in their implications, which will persist for a longer period. Since its inception in the early 1920's, the Republic of Turkey has met and surmounted crisis after crisis in its economy, its politics and its social and cultural system. But throughout this prolonged struggle, there has never been a crisis of the Turkish spirit. With extraordinary steadfastness Turkey has remained faithful to the political and cultural legacy bequeathed to the nation by Mustafa Kemal Atatürk, the founder of the republic.

One of the towering world political figures of the twentieth century, Atatürk took charge of a shattered and demoralized Turkey, the Ottoman Empire, which lay in ruins after World War I. Atatürk personally led the victorious Turkish Army in the War of Independence, a prolonged struggle against foreign troops seeking permanent occupation of the Anatolian heartland. It was he who instituted the most profound reforms that sought to modernize and rationalize an archaic and corrupt old order. In a brief span of 15 years (until his early death in 1938), Atatürk placed Turkey firmly on the road to modernism, making it possible for Turkey to join the world of science, secularism and advanced technology.

Under Atatürk's leadership, the Sultanate was abolished and the old ruling order was permanently swept aside. The Islamic religious orders were suppressed and their pervasive influence was removed or tightly curbed. Turkish civil, criminal and administrative law codes were completely secularized and modernized. The educational system was thoroughly restructured; its curriculum was drastically changed,

and for the first time coeducation was introduced. The Latin alphabet was adopted, and the language itself was modernized and reformed. The position of women, historically one of great disadvantage, was changed; face veils were removed and females were given the suffrage.

These and other drastic changes, not all of which were readily accepted by the population, were accomplished within the framework of a one-party, quasi-authoritarian political system and an economic order (often labeled Kemalism after its founder), which was a fundamentally *étatist* system of state monopoly control in key production and service sectors of the economy.

Political democracy, meaning multiparty parliaments, free elections and universal free suffrage, came to Turkey for the first time in 1950. Since then, Turkey has usually been ruled by one of three major parties, the Republican People's party (founded by Atatürk and now led by the former Prime Minister Bülent Ecevit), or the ill-fated Democratic party, which was overthrown in 1960 in an army-sponsored coup d'état that hanged or imprisoned its leaders, or the Justice party, led by the resourceful engineer-turned-politician Süleman Demirel, now trying to form a Cabinet after the fall of Ecevit, the leader of the opposition in the Grand National Assembly (Parliament).

The problems that Turkey's leaders face are those commonly experienced since World War II by those countries which, for want of a better term, are labeled developing. For instance, Turkey has experienced a very rapid growth of her population and a mass movement from rural areas to the cities. In 1950, Turkey's population was 19 million; today it is 44 million.¹

Istanbul is the stark example of Turkish urbanization. From 1950 to 1979, largely because of the high birth rate among its newly arrived peasants, the city grew from one million to nearly five million. The national population growth rate is high, approximately 2.5 percent annually (or one million new citizens annually). The resulting problems are awesome. Ev-

¹All statistics in this article are from the very complete and reliable statistical compendium which is published annually, *The Turkish Economy, Prospects for Growth within Stability, 1978*, Türk Sanayicileri ve İş Adamları Derneği (Istanbul: Turkish Industrialists and Businessmen's Association), 1978, *passim*.

ery year, there are approximately 400,000 new entrants to the Turkish labor force, entering an economy that has never been able to create new jobs to cope with the annual flood of first-time job seekers. Hence there is chronic mass unemployment in Turkey (perhaps 25 percent of the labor force is idle) as well as widespread underemployment or part-time employment.

For the period 1960-1975, the expanding and labor-short economies of West Europe provided a partial answer to this serious problem. During this time, more than a million Turkish workers were temporarily absorbed in West Germany, Belgium, Holland and France. This export of labor helped to reduce the pressure on the domestic Turkish labor market; at the same time, the workers themselves were a most important source of foreign exchange, sending remittances home in the hard-currency countries of their employment.² Many of these expatriate workers often returned with important technological and entrepreneurial skills and with newly acquired investment capital that was used to open many new small businesses throughout Turkey. This has had an important qualitative impact on the sectors of the Turkish economy to which these repatriated workers returned. With the general economic decline in Europe since 1973, however, the West European countries began to require far less imported labor; thus the number of Turks working abroad has been reduced by 40 percent.

In addition to chronic and massive unemployment, other elements, at least in the short run, function to foster political and social turbulence in Turkey. Turkey has undergone a genuine communications revolution. An excellent system of all-weather roads has opened up even the remotest parts of the country. Well-equipped airports are part of the infrastructure of every major and medium-sized city; so that no one in Turkey is more than a few hours away from anyone else.

There has also been a veritable explosion in the communication of information through radio, television and the press. At the end of World War II, the vast majority of Turks were physically isolated from each other in remote towns and villages, between which travel was difficult or impossible, and the ordinary Turk had no access whatever to mass media. There were fewer than 250,000 radio sets in the entire country; now it is an extremely rare household that does not have at least one radio set, and the great majority of households are also equipped with television. Illiteracy has been drastically reduced and probably will be close to disappearing by the turn of the century, because of the massive investment of the

Turkish nation in its high quality public education system. Comparative figures tell much of the story. At the end of World War II, there were approximately 700,000 children in primary schools; in 1979, there were nearly 6 million. Formerly there were 13,000 university students; now there are 300,000.

Thus, over a period of 30 years, the average Turk has become literate and fairly well educated. He has traveled within his own country, and may have lived temporarily in the highly industrialized societies of West Europe. He has personally experienced or read about or seen on television the conditions of life in the consumer-oriented societies of the West. All of this has produced in Turkey a nearly overwhelming rise in individual expectations. But because the Turkish economy is in no condition to satisfy quickly more than a few of these newly acquired expectations, Turkey has been the scene of constant political and social turmoil.

In the post World War II period, an interesting combination of outside forces has also been at work in Turkey. Just as the population began to grow, to urbanize and to acquire literacy, technological skills and ever-increasing consumer appetites, Turkey became significantly more important to the Western powers, led by the United States, who allied themselves to Turkey and began to convert her into a bulwark against perceived threats of Soviet expansion. Turkey's "Western Connection," in effect, began with the Truman Doctrine of 1947, which provided a framework for American military and economic aid. Similar kinds and amounts of aid came from other Western sources—the Marshall Plan, the Organization for Economic Cooperation and Development (OECD), bilateral agreements with individual Western countries and a heavy flow of credit from private Western banks. From 1947 to 1975, Turkey was the recipient of Western economic and military aid to the amount of approximately \$15 billion. Foreign aid thus underwrote much of Turkey's economic expansion, which averaged six percent per year during that period.

The cumulative effects are by now obvious: the Turkish agricultural economy, for instance, is incomparably more productive than it was 30 years ago. In industry, the advances are even more spectacular. Industrial growth has moved at a higher rate (approximately 10 percent per year) than the general economy, so that today 20 percent of the labor force is employed in industry that produces approximately 25 percent of the gross national product.

However, this success story has a serious shortcoming. The modernization and growth of the Turkish economy have been based primarily on deficit financing, with a very heavy reliance on external capital. At the same time, newly defined consumer appetites have been stimulated by politicians of all

²The most definitive study in English of Turkish expatriate laborers is Suzanne Paine, *Exporting Workers, the Turkish Case*, (Cambridge, England: Cambridge University Press, 1974).

parties, with the result that for many years the country has consumed more than it produced. One of the first results of this has been chronic and serious price inflation. Prices, which started to rise significantly in annual increments beginning in 1950, have in the past three years alone risen by nearly 300 percent. Another result is the steady decline in the value of the monetary unit. The Turkish lira is today one of the "softest" currencies traded regularly on the international market, and this has made the continued importation of both industrial and consumer goods extraordinarily expensive, giving rise to prolonged periods of shortages in the marketplace. In 1979, even when measured against a badly depreciated U.S. dollar, the Turkish lira showed grave deterioration: 1979 U.S. \$1 = T.L. 50, as opposed to 1958 U.S. \$1 = T.L. 2.3.

In order to cope with this general economic malaise, Turkish politicians of all major parties have tried with increasing desperation to maintain the untenable status quo by resorting to dangerous tactics: increasing the money supply at home; continuing to engage in massive deficit financing; and increasing Turkey's foreign borrowing at a most alarming rate. Turkey's foreign indebtedness now totals about \$13.5 billion (the Turkish gross national product in 1977 was approximately \$48 billion), and much of this huge debt figure on short-term account is in need of early repayment. These devices have had a short-term advantage for Turkish politicians, bureaucrats and economic advisers who, at times, have seemed to dance almost drunkenly to the economically destructive tunes. But the music has stopped. Turkey's overloaded and overstrained economic system must be put in order, even though that may require enormous political courage on the one hand and great social discipline on the other.

During 1979, Turkey took two steps that (although they cannot be expected to solve her economic difficulties) may work to provide breathing space. In June, 1979, Turkey and the International Monetary Fund reached an agreement on a financial arrangement that would allow Turkey to borrow money from the IMF. The agreement followed nearly a year of often acrimonious negotiations between Turkey and its major Western trading partners and officials of the IMF. These officials steadfastly insisted that because of her soaring inflation rate and massive balance of payments deficit, Turkey must quickly institute severe austerity measures while at the same time she substantially devalues her currency further. The IMF obviously calculated that a long-overdue austerity program would help to restore the health of the economy, and that substantial monetary devaluation would make Turkey's exports cheaper and thus more competitive on the world market.

The IMF agreement has a significance beyond its

actual terms. Western commercial banks uniformly regard a loan from the IMF as the highest endorsement of a nation's credit worthiness, and generally will make no private loans if the fund shuts off a nation's credit. Hence the way was at last cleared for Turkey to return to the world's credit markets, but with the provision that her internal economic policies must be kept under far tighter rein. Within a month, in August, 1979, the Central Bank of Turkey signed an agreement in London and Zurich with more than 250 foreign banks restructuring about \$3 billion of convertible Turkish lira deposits. The agreement, in effect, consolidated Turkey's worldwide debts to foreign banks, and is one of the most comprehensive such arrangements ever undertaken by a central bank acting on its own.

Whether Prime Minister Demirel will be able to implement vigorously a program which Turkey accepted only with the greatest reluctance and which is nearly certain to alienate further significant sectors of an already restless electorate remains to be seen. There are profoundly conflicting social and ideological currents running deep in the Turkish political consciousness, including reactionary Islamic revivalists, quaintly old-fashioned Marxists, those who for a variety of reasons are disillusioned with liberal democracy, and those with separatist ambitions, especially members of Turkey's principal ethnic minority, approximately five million non-Turkish (although Muslim) Kurds.

In addition to coping with a badly malfunctioning economy, the government must also struggle with a nationwide epidemic of violence that by 1980 had taken a toll of 2,500 lives. The worst single violent incident occurred in December, 1978, when riots between mostly right-wing Sunni Muslims and leftist Shi'ite Muslims in the provincial city of Kahramanmaraş left a total of 115 killed and several hundred wounded. This led to the imposition of martial law in 13 of Turkey's 67 provinces; the restrictive decree has since been made more or less permanent and has been widened to include Turkey's six easternmost provinces inhabited mainly by Kurds.

Religious, political and ideological extremism is commonplace today in Turkey. In the major cities, there are dozens of leftist groups and fewer (but no less destructive) groups on the far right. These groups fight pitched battles on university campuses, in cafés and in the streets. The loss of life and property has been appalling. The government has had the greatest difficulty coping with the problem, partly because it is so massive and widespread and partly because the extremist groups receive considerable tacit encouragement and support from the army, the police forces, the bureaucracy and the government itself.

In February, 1979, the entire nation was shocked by the terrorist murder of Abdi İpekçi, the nation's very

widely respected and best known journalist, and the editor of *Milliyet*, one of Turkey's foremost newspapers. A thoroughgoing democrat and civil libertarian, Ipekçi was gunned down during rush hour traffic in the streets of Istanbul. Ominously, and with considerable accuracy, Prime Minister Ecevit declared that "those who committed this crime also committed an assassination against Turkish democracy." The boldness of the terrorists increased after the Ipekçi assassination; in July, 1979, left-wing terrorists made an attack on the Istanbul police station, seriously wounding Ahmet Ateşli, the chief of the anti-terrorist division.

The field of foreign affairs also presents serious problems. Relations with the United States, since 1947 Turkey's principal Western ally, are very badly damaged, partly because of the United States reaction, particularly Congress's, to the Turkish invasion and occupation of approximately 40 percent of Cyprus in 1974. Unfortunately, it is not well understood in the United States, or it is often conveniently forgotten, that this invasion was provoked by years of unrelenting Greek-Cypriot repression of the Turkish minority on the island and by a short-lived Athens-instigated coup d'état in Nicosia. Nor is it remembered that United States Secretary of State Henry Kissinger bore a very heavy responsibility for this chain of events and their catastrophic outcome. Kissinger's role was one of close collaboration with and support of the Regime of Colonels, the Greek dictatorship in Athens. It was they who supported Nikos Sampson who, in turn, led the Cyprus coup in Nicosia. This record, and especially the role of the United States Secretary of State, is now reasonably clear from already available documents.³ It makes distressing reading.

Subsequently, the dominance of ethnic politics in the United States Congress made an already bad situation worse. A small group of 10 to 15 Congressmen and Senators of Greek ancestry persuaded Congress to pass the 1974 embargo against Turkey, which not only prevented Turkey from acquiring promised and badly needed credits and equipment for the modernization of her armed forces, but also insulted the Turkish nation. To say that Turkey is thoroughly disillusioned with United States policy in the eastern Mediterranean states the obvious. Nor does the future look much brighter.

The Turkish dispute with Greece over Cyprus has widened to include a dispute over the continental shelf and the jurisdictional rights of Turkey and Greece in the area of the Aegean Sea lying between the two

nations. Little or no progress toward the solution of any of these problems has been achieved. Turkey remains in control of the area of Cyprus she occupied in 1974; thus there are two Cypruses, separated by barbed wire and troops on both sides. In December, 1978, the International Court of Justice issued a formal decision in response to the Greek government's proceedings against Turkey on the issue of the continental shelf and maritime rights. The ICJ refused to hear the case on the grounds that the court lacked jurisdiction, but it reminded the disputing nations of their mutual obligations to negotiate seriously in order to reach a compromise solution. At the beginning of 1980, however, there is small basis for optimism that the desultory and inconclusive diplomatic negotiations between Greece and Turkey will soon produce any feasible solutions to those two vexing problems.

Events in neighboring Iran have also had a profound impact on Turkey. To the extent that Turkish Islamic revivalist forces are inspired by the changes in Teheran and might seek to replicate these changes in Turkey, the secular-minded Turkish political leadership may well be apprehensive. Moreover the Iranian Kurds, now in open rebellion against the authority of Teheran, could conceivably make common cause with their 5 million Kurdish brothers across the border in Turkey. However each of these eventualities is more potential than actual. The overwhelming bulk of Turkey's Muslims are Sunnis, whereas the Ayatollah Khomeini and his followers in Iran are mostly Shi'ites. In Turkey, the Sunnis have historically been at serious odds with the Shi'ites, whom they call Alevis; indeed the bloody religious riot of Kahramanmaraş in 1978 (already referred to) was a conflict between Turkish Sunnis and Shi'ites (Alevis). It is unlikely that the tiny minority who comprise Turkey's Shi'ite Muslims could make effective common cause with the Iranian Shi'ites to present a serious challenge to Ankara's political authority. Nor is there a "mullah" (teacher and spiritual leader) class in Turkey in any sense comparable to the class in Iran from which the Ayatollah Ruhollah Khomeini emerged and from which he draws much of his strength. Sixty years of enforced Turkish secularization have produced the effect Atatürk intended. The comparative handful of Islamic religious leaders in Turkey hold inconsequential economic, political or social power,

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³See in particular Laurence Stern, *The Wrong Horse: The Politics of Intervention and the Failure of American Diplomacy*, (New York: Quadrangle/The New York Times Book Company, 1977). Mr. Stern was the national editor of the *Washington Post*, a position which he used effectively to gain access to high-level policymakers and a wide range of classified documents.

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"During the past few years, several Israeli certainties and underlying assumptions have been shaken. . . . The national consensus on foreign and defense matters broke down, a crisis of leadership prevails and the new relationship with Egypt—the key to a potentially new position—is at best ambivalent."

Israel: The Impact of the Peace Treaty

BY ITAMAR RABINOVICH

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FOR Israel, the months that have passed since the signing of the Egyptian-Israeli peace treaty have been marked by a paradox: formal peace with the largest and most important Arab state had been one of the most cherished goals of Israeli policy since independence; yet the public mood in Israel is gloomy and the government that signed the treaty seems unable to cope with enormous domestic and external difficulties.

Some of these difficulties derive from the treaty itself and from the ambiguities of the new Egyptian-Israeli relationship. Israelis realize that the peace treaty represents an early phase in a lengthy process rather than its culmination and that the reality and future of Israel's relations with Egypt will be determined by interests and attitudes and not by the letter of the treaty. There are various schools of thought among Israeli politicians and analysts regarding Egyptian President Anwar Sadat's intentions, but most Israeli observers agree that whatever President Sadat's mood, outlook and plans in 1979, they could all change in 1980 (when much of the Sinai will be returned to Egypt, ambassadors will be exchanged and normalization will be accelerated) or, for that matter, Egyptian plans could change in 1981, 1984 or later. Domestic developments in Egypt and Israel, progress or lack of progress on the Palestinian issue, the regional setting and the position of the United States will all—it is realized—affect Egypt's decisions.

The public discussion of these issues in Israel has hardly been helped by the contradictory signals that came from Egypt between March and September, 1979. Some aspects of the normalization process have proceeded well and in an impressive fashion. But in sharp contrast to their warm popular reception in Egypt, Israelis find that quite a few Egyptian bureaucrats and intellectuals are lukewarm or even hostile to the notions of normalization and reconciliation. During the 18 months that preceded the signing of the peace treaty and the 6 months that followed it, the personal relationship between President Sadat and Israeli Prime Minister Menachem Begin changed several times, and so did Sadat's attitude toward

*For excerpts see *Current History*, January, 1979, pp. 31ff.

Israel. The Israelis have also discovered, as the practitioners of détente discovered earlier, that it is difficult for an open and disorderly political system to interact with (and gauge the intentions of) a more closed, authoritarian and personalized government.

The uncertainty regarding the future of Egyptian-Israeli relations has underlined the significance of the concessions made by Israel to Egypt at the Camp David accords and in the peace treaty. The agreement that in exchange for a full peace Israel would return to Egypt most—practically all—of the Sinai had been supported by a broad consensus in Israel. One of the essential features of the Camp David agreements was that, in return for full peace and for what Israel at least saw as an open-ended agreement for five years on the West Bank and Gaza, Israel agreed to a full withdrawal from the Sinai.

In practical terms, this meant that in addition to the loss of strategic depth several crucial assets were lost: Sharm al-Sheikh and control of the Tiran Straits, the Rafah salient and Israeli settlements, two large, sophisticated and very expensive airfields that were built very close to the international border, and the Sinai oil fields.

The impact of these concessions has already been felt. The process of dismantling Israeli settlements in the northern Sinai has proved to be painful, acrimonious and expensive; the exacerbation of the energy crisis in the United States and the dramatic rise in oil prices reinforced those critics of Begin's policy who focus their misgivings about the Camp David accords on the oil issue. The construction of alternative airfields on the Israeli side of the international border has begun and has already had a dislocating effect on Israel's economy and her relations with the United States.

The Camp David accords and the Israeli-Egyptian peace treaty consist of a bilateral section and a section specifying the principles for settling the other dimensions of the Arab-Israeli conflict.* This was the modality which enabled Egypt to proceed with a resolution of her conflict with Israel while arguing that no separate peace had been signed. The Syrian dimension of the conflict has not yet become an issue

in the triangular American-Israeli-Egyptian relationship despite Syria's denunciation of the Camp David agreement, but the Palestinian dimension is a real issue.

There are two aspects to the Palestinian component of the Camp David accords: the nature of the settlement and its links to the Egyptian-Israeli peace. The formula adopted at Camp David in September, 1978, was based on two elements: (1) a modified version of the autonomy plan that Begin first presented in December, 1977; (2) a deliberate vagueness about the status of the West Bank and Gaza at the end of a five-year interim period, a vagueness that was calculated to enable each of the parties to claim an achievement and to continue its efforts to implement its own interpretation of the agreement.

THE WEST BANK AND GAZA

In the decade 1967-1977, four groups in Israel argued about the future of the West Bank and Gaza: 1) those who for security and/or ideological reasons wanted to retain or even annex them; 2) those who for ideological or practical reasons wanted to relinquish them under almost any circumstances; 3) those who advocated a territorial compromise with Jordan; and 4) those who advocated a "functional" rather than a territorial partition of the West Bank.

Prime Minister Begin was elected to office as an advocate of the first school of thought but, confronted with the need for a plan that would be acceptable to Egypt and the United States, in December, 1977, he began to support a modified version of the fourth. In the original Israeli plan, the autonomy envisaged for the West Bank and Gaza was rather limited and very loosely linked to the Egyptian-Israeli peace. During the months that led first to the Camp David accords and then to the peace treaty, the Begin government conducted arduous negotiations with both the American and Egyptian governments. Their differences were partly resolved and partly glossed over in March, 1979, on the eve of the signing of the peace treaty.

Since the signing there have been several important developments. There were no serious Palestinian participants in the autonomy talks. Jordan and the Palestine Liberation Organization (PLO) both rejected the Camp David agreements, are opposed to the autonomy plan, and cooperate in obstructing it. Almost all local leaders in the West Bank and Gaza follow the lead of either the PLO or the Hashemite regime (one local leader, Gaza Gaza, who indicated his willingness to cooperate with Egypt, was assassinated).

The Israeli government, in turn, has come to the conclusion that the concept of autonomy in its second (Camp David) version was likely to lead to a Palestinian state in the West Bank and Gaza, anathema to the Israeli government and, in this case, to the

public as well. Egyptian statements that the ultimate goal of Egyptian policy was the establishment of such a state and subtler indications that this might also be the policy of President Jimmy Carter's administration further underlined these fears. Consequently, the Begin government took measures designed to perpetuate Israeli control or influence in the West Bank and Gaza.

It was also significant that while Egypt continued to emphasize the "linkage" between the implementation of the peace treaty and progress at the autonomy talks, and criticized Israeli policies in the West Bank and Gaza, in the latter half of 1979 her actual reaction to those policies was moderate. Egypt's leadership sees no point in creating a crisis in the negotiations before most of the Sinai has been returned. And the Egyptians are deeply disappointed by the Arab and particularly the Palestinian response to their policy; at this juncture, they would not jeopardize national Egyptian goals just to gratify Egypt's Arab critics.

From an Israeli perspective, it was disappointing that peace with Egypt did not lead to a mellowing of the Arab-Israeli conflict. Egypt so far has failed to carry other Arab states with her and the increasing political and military power of the Arab world is currently mobilized to combat both Israel and the Israeli-Egyptian treaty. Arab hostility has been illustrated in recent months in international forums like the United Nations and the nonaligned conference in Havana, where a large majority denounced Israel, Egypt and their treaty. It is also reflected, less dramatically, in the position taken by many third world and West European countries. Israel had hoped that African countries, whose main grievance against Israel was her occupation of Egyptian land, would renew diplomatic relations with Israel after the signing of an Egyptian-Israeli peace treaty. But the Arab oil producers have more influence in Africa than Egypt; in 1980, Egypt may well have an embassy in Israel and traditional friends of Israel like the Ivory Coast and Kenya may not.

Still more significant are the Palestinian dimensions of the Arab-Israeli conflict and the political gains made by the PLO. Once the issue of the Sinai was resolved and the problem of the Golan Heights was temporarily suspended, it was natural for those seeking to perpetuate the Arab-Israeli conflict to concentrate on the Palestinian issue, which is an excellent political instrument. Thus the Palestinian question has become the major issue through which the Arab world's new collective power can be translated into concrete political achievements.

The conflict between Israel and the PLO has intensified internationally, where the PLO has registered several successes; in the West Bank and Gaza, where the PLO has increased its hold over the local leadership while Israel has increased her hold over the

territory, and in Lebanon, which the PLO has used as a base from which to continue terrorist attacks against Israel as a strategy distinct from and yet complementary to its political offensive elsewhere. Israel's response was to try to frustrate this strategy, to decimate the PLO's physical power, and to preserve the political status quo in Lebanon. Israel has succeeded in achieving these goals but paid a high political price for the tactics her government chose.

The ambiguity of the new Egyptian-Israeli relationship is perhaps most clearly reflected in the precarious military balance. Both Israel and Sadat's Arab critics are unable to predict Egypt's stance in the event of another Arab-Israeli war. Syria, Iraq and Jordan claim that Egypt has left the Arab camp, that the balance has clearly shifted in Israel's favor and that they are exposed. Israeli planners argue that there is no guarantee that Egypt will refrain from another war, that they have to plan on the basis of the most pessimistic forecast and that, in any case, the eastern front states are armed to the teeth and can launch a war on their own. In practical terms, this means a continuing arms race, in which Israel finds it increasingly difficult to meet the costs.

In the summer of 1979, there was a more favorable trend in regional politics, when serious cracks began to appear in the anti-Sadat Arab front. Iraq and Syria are facing domestic difficulties; their rapprochement has been reversed; and the new inter-Arab order with Baghdad as its center seemed very fragile. The notion of an eastern front coordinating political and military moves seemed more remote. Thus a more confident Sadat has been arguing that other Arabs are beginning to realize the success of his strategy. It remains to be seen whether the new confidence in Cairo is justified.

The events of the past six months also affected Israel's relationship with the United States. President Carter was instrumental in fashioning the Camp David agreements, and the peace treaty stood out as his most successful foreign policy achievement. But the administration had misgivings about the treaty. It was fearful of a separate Egyptian-Israeli deal and wanted a comprehensive settlement of the Arab-Israeli conflict; thus it was disturbed by the failure of other Arabs to join the peace process and was particularly concerned about Saudi Arabia's displeasure. Washington has thus pressured Israel to make concessions that would gratify Arab oil producers and would induce other Arabs to join in the negotiations. The United States has been critical of Israeli policy in the West Bank and Lebanon and has made its criticism public at a time of growing Israeli dependence on the United States. Israel needs American aid to hold her own in an accelerated arms race, to build the two alternative airfields, and to foot a larger oil bill.

An evaluation of the peace treaty's impact on the Israeli domestic scene involves serious methodological problems. Most difficulties that affect Israel's political and economic systems are the result of developments earlier than or contemporaneous with the peace process. But once the negotiations with Egypt surfaced some two years ago, they became the cardinal fact of Israeli political life, affecting or at least coloring even loosely related issues.

Several of the problems that threaten to topple Menachem Begin's government can be traced to the nature and structure of the Israeli political system, to the circumstances of Begin's electoral victory in May, 1977, and to personal circumstances. The Israeli Prime Minister is the head of a coalition government and in practice depends on his partners for a parliamentary majority. His power is further diminished by constitutional provisions that prevent him from firing a Cabinet member (an act which automatically brings about the fall of the government) and from holding parliamentary elections at his convenience.

In fact, Begin heads several coalitions. The government coalition is composed of Begin's own Likud Alignment, the National Religious party (NRP) and the Democratic Movement for Change (DMC), and enjoys the support of Agudath Israel, an ultraorthodox religious party. The Likud Alignment is made up of two parties (Begin's Herut Movement and the Liberal party) and several small factions. The NRP and the DMC are likewise divided into groups and factions. The formation of the Cabinet, the distribution (and eventual redistribution) of Cabinet portfolios, the formulation and execution of policy have from the outset involved arduous negotiations with the various coalition partners and bickerings within the constituent factions.

Thus Begin's parliamentary majority has from the outset been frail and uncertain, despite the fact that during its first months in power the government commanded a majority of almost 80 out of 120 Knesset seats. But the incongruity of the coalition, the unreliability (from Begin's point of view) of several Cabinet members and several potential sources of friction and dissension have from the outset threatened to diminish Begin's majority. In terms of practical politics, this has meant that he could ill afford to antagonize any of the factions or major politicians in the coalition. The DMC split (as a result of internecine conflicts) resulted in the first important

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"Recent events in Iran and the trend in Khomeini's own statements suggest that the battle for access to Khomeini is being won by elements that represent the theocratic extreme among religious leaders."

Revolutionary Iran

BY RICHARD W. COTTAM

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ON December 10, 1978, as many as eight million Iranians marched in an orderly demonstration against the government of the Shah. One-fifth of the Iranian people were willing to join in a massive and nonviolent manifestation of opposition even though most of them knew that thousands of their countrymen had been shot down in previous demonstrations. The day was one of the holiest in the Shii Islam calendar and the slogans the people shouted and the banners they carried made clear the religiopolitical essence of the revolutionary movement.

But like any revolution of this dimension, the Iranian revolution was the product of a wide variety of forces united only in their determination to overturn a hated regime. In the aftermath of the Shah's departure and the utter collapse of the royal army and government, the revolutionaries inevitably turned on one another. In November, 1979, the American television screen was dominated by pictures of seething mobs of Iranians marching past a helpless American embassy, home to a few score of American hostages and their Iranian captors. But the apparent unanimity of the Iranian crowd was an illusion that concealed deep and very bitter divisions.

To understand the course of revolutionary change in Iran, there must be some understanding of the base of support for the royal dictatorship. Mohammad Riza Shah Pahlavi was the absolute dictator of Iran for a quarter of a century, and for much of that period his control appeared to be solid. Indeed, as late as New Year's Day, 1978, visiting Teheran, President Jimmy Carter described Iran as the most stable country in the region.¹ A year later, support for the Shah was confined to a small veneer of society and virtually the entire nation had risen in opposition. The long period of stability suggests that a broad section of the Iranian population had accepted the Shah's leadership. But the sudden and massive rising against him testifies to the fragile quality of that support.

The Shah had attracted positive support from

important elements of Iranian society. Probably most significant of these elements was the officer corps of the military and internal security services. Many officers were recruited from the lower middle and even lower classes and owed their (and their families) rise in social prestige to the Shah's patronage. Their behavior in the revolution was paradoxical. Overwhelmingly, they remained loyal to the Shah until the end. Nonetheless, in the face of strong evidence that the Shah had lost his ability to deal decisively with a regime crisis, the officer corps failed to take the kind of action that might have saved the regime.

Their passivity was in large part a consequence of two policies. First, the Shah fully understood that his rule rested on the ability of his security forces to exercise coercive control. Yet his very need to rely on such a force made him vulnerable to the possibility of a coup from that quarter. Hence, like many absolute dictators, the Shah split the security forces into a number of competing sections each with direct access to his majesty. The policy worked too well. So divided were the security force leaders that they had difficulty acting cooperatively even to save the regime. Second, with his military as with his bureaucracy, the Shah was careful not to permit outstanding and independent officers to achieve high rank. Thus, in the moment of terrible crisis, the kind of mediocrity in leadership he had fomented was ineffective.

There was also genuine enthusiasm for the Shah among a sizable class of new rich. Indeed, it does not miss the mark too far to describe the Shah's rule as the dictatorship of the parvenu. There was a great deal of corruption in imperial Iran; and in order to operate successfully in the realm of finance, an individual had to have an acute understanding of how to purchase influence and thus to manipulate the system. But there was also a good deal of entrepreneurial freedom, and great fortunes could easily be made. However, the Shah did nothing to institutionalize this natural base of support. The party structure he established was largely manned by careerists and called very little on the public. As Iran's crisis developed, many of the new rich left Iran, taking their fortunes with them. In his final days, support from this element largely evaporated.²

¹For the text see *Kayhan International*, January 7, 1978.

²For a critical account of the Shah's system of control see Robert Graham, *Iran: The Illusion of Power* (New York: St. Martin's Press, 1979).

Iran's wealthy peasantry also supported the Shah. His land reform program redounded to the benefit of the wealthiest and most aggressive element in the peasantry. But he did not try to mobilize support from this element. Furthermore, peasants were highly religious and were ultimately attracted by revolutionary religious leaders.

Another group supporting the Shah can be described as "accommodationist." People in this category, succeeding under the royal dictatorship in terms of material rewards and influence, had come only reluctantly to accept the regime. Their historical loyalties were elsewhere, and as the revolutionary momentum gathered force they abandoned the regime and joined the revolution.

The Shah's greatest achievement in terms of societal support was his attraction for the men and women who formed the technocratic underlay of the regime. In the early 1950's, the technocrats had provided core support for Mohammad Mossadeq and Iran's national movement. They saw Mossadeq's overthrow as the removal of the symbolic leader of the Iranian nation by an American-directed coup d'état. However, like most Iranians, they came to believe that the Shah's control of Iran was invulnerable. Consequently, when the Shah's lieutenants offered them well paying positions in the bureaucracy, they accepted.

Even though years passed and a new generation of young technocrats with little knowledge of Mossadeq occupied positions of importance, the Shah attracted little positive support from their ranks. Similarly, much of the middle middle and upper middle classes, particularly those elements that were not particularly interested in political affairs, accommodated themselves to the regime. This included much of the professional class.

Members of Iran's traditional elite, often referred to as Iran's thousand families, also accommodated themselves to the regime. Many of them had actively cooperated in Mossadeq's overthrow. But they were inclined to look with nostalgia at the Qajar dynasty, which the Shah's father, Riza Shah, had overthrown when he founded the Pahlavi dynasty. Land reform was more beneficial than harmful to this class, even though many had been large landowners. They were generally well compensated for their land and could invest their money in far more lucrative enterprises. They also retained significant influence. Sons and daughters of this class were well represented at top levels of the Iranian bureaucracy, commerce and industry.

Most of Iran's skilled industrial workers also accepted the rule of the Shah. Always in short supply,

they were well paid in the 1960's and 1970's. But freedom to organize and strike or to follow leaders dedicated to their interests was denied them. Thus they, too, would join the revolution in its later months. By late fall 1978, most of them had joined in strikes that paralyzed the Iranian economy and helped bring down the regime.

The great mass of the Iranian people—the lower middle class, the urban unskilled workers, the poor and landless peasantry and tribesmen—can be described as having acquiesced in the regime. From 1963 to 1973, a period of rapid economic growth with low levels of inflation, the real income of virtually every Iranian improved. There was little unemployment. In fact, jobs were so plentiful that non-Iranians—particularly Afghans and Pakistanis—flocked into Iran, often illegally, to take advantage of the opportunities.

But the income gap in Iran was rapidly widening. Unskilled workers in Teheran, who could see a real improvement in their standard of living and could look forward to an even better life, were also painfully aware of the grand life-style of many of their countrymen. The new rich, as is their custom everywhere, consumed with conspicuous abandon. Palatial homes, extravagant restaurants and night clubs and, most of all, streets clogged with expensive automobiles served as daily reminders of a growing income spread.

Nevertheless, the vast majority of Iranians who supported the regime accommodated themselves to it or acquiesced in it. As long as the Shah's coercive instrument was believed to be unassailable and as long as even the least favored could look forward to material improvement, the regime was stable.

CORE OPPOSITION

But for the generation of the Shah's absolute dictatorship—the mid-1950's until the late 1970's—a core opposition to the regime remained utterly irreconcilable. Relatively few in numbers and largely confined to the politically attentive elite, the core included individuals who could command great respect and (when cracks appeared in the economy) could gain quick access to the Iranian masses. The opposition was, of course, highly diverse. However, virtually all the Shah's opponents believed that the Shah was imposed on Iran by the American Central Intelligence Agency (CIA) to serve the purposes of imperialist capitalism. In their eyes, the Shah was a more than willing agent. He and his entourage were squandering Iran's precious oil income—which must be used to transform Iran in one generation—on useless weapons and luxury consumer items. The agent of the capitalist West was returning Iran's petrodollars to his mentors. Few of this core group opposed rapid change and technological advance, as is so frequently claimed in the Western press. The

³Two excellent accounts of the Shah's elite support are given in Marvin Zonis, *The Political Elite of Iran* (Princeton: Princeton University Press, 1971) and James Bill, *The Politics of Iran* (Columbus: Charles E. Merrill, 1972).

"Westernization" they opposed was the process of bringing to Iran "miracle miles" for the new rich and the values of the international jet set for the court and the very rich. The great institutions of the West—its universities, its press, its parliaments, its courts—had only grotesque counterparts in Iran.

The secular intelligentsia was numerically probably the largest element of the core opposition. And by 1979 the proportion of Marxists among this group was significantly larger than the proportion of liberal, social democratic followers of Mossadeq. The leadership of the latter, the National Front, was aging; many members of its rank and file had been co-opted by the regime; and young intellectuals and university students preferred more militant expressions of opposition. Another group that grew out of the Mossadeq movement, the Freedom Front, was composed of intellectuals who tended to be more centrist in philosophy, more religious, anti-Marxist and militant. Their role in the revolution was and is of central importance. At present, however, they are losing ground.⁴

In the years 1960-1963, the Mossadeq movement made a major effort to return to power, an effort that ended in January, 1963, when the Shah had its entire leadership, including important religious leaders, arrested.

The religious opposition focused on two very different personalities. Ayatollah Ruhollah Khomeini was to become the second charismatic leader of Iran in this century. He occupied a preeminent position among Iran's most respected religious scholars, the mojtahedin. Khomeini stood as the most courageous and most uncompromising member of the religious opposition. But he had not been an important figure in the religious wing of the religionational movement that followed Mossadeq. He had, in fact, regarded the Mossadeqists as secularists and politicians without any significant ideology. In contrast, he saw himself advancing an Islamic ideology that would give the Muslim people a free and dignified life. His concern focused on the deprived element of the population. In June, 1963, rioting by followers of Khomeini became so serious that the regime almost fell.

Thereafter, Khomeini became the most important personality in the opposition. Leaders of the Freedom Front, recognizing Khomeini's already large and potentially enormous following, moved to associate their own activities with Khomeini. Shortly afterward, Khomeini was sent into exile and spent most of the prerevolutionary years in exile in Iraq. There he remained independent of any group, but his close association with Freedom Front elements persisted. When he returned to Iran in 1979, therefore, there

was reason to believe that the primary beneficiaries of his great popularity would be the liberal, religious intellectuals of the Freedom Front.

The other personality of the religious opposition, Ali Shariati, died in exile in London in July, 1977; the British said he died of natural causes, but almost no Iranian in opposition believed that. Shariati was a sociologist, whose lectures and dozens of books were the focus of intellectual excitement for an exceptionally large section of the literate population, especially the youth. Shariati and Khomeini were popular with many of the same people. But Shariati's emphasis on the role of the individual in interpreting the Koran and in giving expression to Islamic values collided with Khomeini's belief that the people should accept the guidance of religious leaders. As the revolution progressed, religious intellectuals began to polarize around the two positions.

The rhythm of the revolution is by now fairly clear. The key event, ironically, should have further stabilized the royal dictatorship: the spectacular increase in oil prices and oil income beginning in 1974. But the investment strategy followed by the Shah, which led to a spectacular 42 percent growth rate in 1974, produced a serious inflation. And because of the Shah's support structure—especially the support of the new rich who could easily profit from inflation—government efforts to deal with inflation were desultory. As a consequence, poor Iranians and Iranians with fixed incomes suffered a palpable loss in real income. This element, once acquiescent in the regime, could no longer see the prospect of a better standard of living. Thus the majority of the Iranian people developed a revolutionary predisposition.

Since the lower middle and lower classes were the most religious elements of society, they naturally turned in their distress to the mosques. As a consequence, the religious elements of the core opposition, in particular those associated with the mojtahedin, gained access to a huge population of increasingly unhappy people. Because secular opposition leaders, Marxist or liberal, had little means of reaching these people, their relative influence in the revolution began to decline. The great demonstrations that shook Iran in 1978-1979 were well organized by the religious bureaucracy and contained few secular elements. The Shah's security officials had great difficulty dealing with expressions of opposition from the mosques. Arresting preachers only exacerbated public anger. Furthermore, because a preacher could give his anti-regime message in the form of allegories, it was difficult to charge sedition.

In 1977, the Shah appointed Jamshid Amuzegar, a talented technocrat, as Prime Minister, and Amuzegar attempted to deal with the problem of inflation using classical economic techniques. But his measures injured the new rich members of society and

⁴For a description of the opposition see Richard W. Cottam, *Nationalism in Iran* (Pittsburgh: University of Pittsburgh Press, 1979).

caused a decline in morale and even the emigration of some Shah supporters. There was little compensating reduction in the revolutionary elements of the lower middle class.

THE HUMAN RIGHTS ISSUE

In 1977, also, Jimmy Carter became President of the United States and announced that the improvement in the state of human rights abroad would be a central goal of his foreign policy. Since Iranians, supporters and opponents of the Shah alike, regarded the Iranian regime as a creation of American policy, the President's stress on human rights had an electric effect in Teheran. Would the United States insist on more freedom in Iran? Outstanding members of the Iranian intelligentsia—secular and religious—began to test to see if indeed they could begin to voice their hostility to the regime.

For his part, the Shah did relax his totalitarian control. Torturing ceased in Iran's major prisons; some prisoners were released; a few demands for greater freedom of expression were granted; and most of those moving tentatively toward overt opposition escaped arrest. These responses, directly related to United State policy, strengthened the revolutionary momentum. The natural followers of those leaders who began to criticize the regime were the accommodationist elements of the population. Clear support from this group for the revolution began in 1977 but did not gain real force until September, 1978. A new committee called the Iranian Committee for Human Rights and Liberty came close to being a central committee of the opposition and included representatives of religious and secular groups.⁵

By late 1978, the opposition was confident that revolutionary momentum would force the Shah's departure. There is reason to believe that the Shah understood this, although many of his officers believed to the very last moment that an American move would save the regime. In this period, a number of transitional plans were advanced that might have saved Iran from the trauma of a total government collapse. Virtually all these plans called for a regency council and a government that would include men close to Khomeini and would represent all but the far left of the revolution.

Had such a plan been accepted by the Shah and by Khomeini, the army need not have collapsed, and elections for a new Parliament might have brought a new popular leadership into focus.⁶ For whatever reasons—a lack of American comprehension and sup-

⁵For a full account of this episode see Richard W. Cottam, "Arms Sales and Human Rights: The Case of Iran," in Peter G. Brown and Douglas MacLean, eds., *Human Rights and Foreign Policy* (Lexington, Mass.: D.C. Heath, 1979).

⁶See Bazergan's own remarks on this in Oriana Fallaci, "Everybody Wants To Be Boss," *The New York Times Magazine*, October 28, 1979.

port, a failure to attract Khomeini's acquiescence, or the sabotage of the plans by some of the Shah's lieutenants—all such efforts failed.⁶ The Shah's appointment of Shahpur Bakhtiar as Prime Minister was not part of such a plan since no significant opposition group was willing to endorse Bakhtiar. There are good reasons to question the likely success of any transition plan. Charges of subversion of the revolution would certainly have been made—especially by the left and by many in the religious factions. In any event, no transition plan was attempted, and Iran had to face revolution and almost total institutional collapse.

When Khomeini returned to Iran, ^{in 1979} he appointed a Prime Minister, Mehdi Bazergan, who had been the leader of the Freedom Front and president of the committee on human rights. Bazergan, in turn, appointed a Cabinet, mainly from the ranks of the Freedom Front, the National Front and members of the religious bureaucracy. To be sure, there were deep personal conflicts among the new leaders, but prospects for a relatively smooth move toward parliamentary democracy appeared good.

However, the problem of internal security loomed large. As the army disintegrated, arms fell into the hands of bands of young people, some under the discipline of organizations—leftist or religious—and others that were self-serving and badly organized. Ethnic minorities and tribal elements responded as they always do when the central government is weak in Iran by demanding maximum independence. Rumors of possible attacks by remnants of the Shah's hated internal security organization gained credibility. And it was difficult to administer justice with a court system that had been particularly servile to the royal will. To deal with these problems on a temporary and ad hoc basis, Khomeini set up a system of revolutionary committees presided over by a revolutionary council, the membership of which was not made public. Religious leaders clearly predominated in the revolutionary council-committee-courts system, which came to be almost a parallel government.

Almost immediately, jurisdictional conflicts developed. The large and assertive middle middle and upper middle classes looked to Bazergan to provide a stability in which the economy could quickly recover from the paralysis of the past six months and government services could be restored. Anti-clerical attitudes were strong, and women were anxious that their gains in terms of legal rights and opportunities would not be lost. But Bazergan's bargaining position was weak. He drew his natural support from people who had gone along with the royal dictatorship until the handwriting on the wall was clear. As a class, their revolutionary credentials were weak, and their every preference indicated non-revolutionary attitudes.

Bazergan's followers were at best reformers. They

would expand the scope of free expression, but they would perpetuate the bureaucracy on which the Shah's regime had rested. Would they also attempt to perpetuate the disparity in economic rewards and allow the income spread between the rich and the poor to stand? Were they really opposed to the vulgarity and immorality that were the new-rich cultural import from the West?

The key, of course, lay with Ayatollah Khomeini; and within a few weeks, events and the decisions Khomeini made to cope with those events gave a reasonably clear picture of Khomeini, the national leader. Unlike Bazergan, who candidly confessed he was not really a revolutionary,⁷ Khomeini proved unmistakably revolutionary. Although he wanted a stable government that could cope with the problems of reconstruction, he wanted to eradicate the evil roots of the old system, which he described as satanic. He denounced the materialism of the recent past and called for a climate in which social justice would prevail. Just what these dicta meant in programmatic terms, however, was anything but clear. Khomeini spoke with concrete clarity only in matters of family relationships, women in society, sexual morality—matters dealt with in specific terms in the Koran. In other areas, he referred vaguely to an Islamic ideology, the concrete expressions of which would unfold as God willed. His demeanor was, in other words, almost apolitical. Matters of strategy and tactics, personnel selection, concrete details of policy were left to lesser figures.

But even after he left Teheran and took up residence in the religious center of Qom, Khomeini maintained a general supervisory role over political and government affairs. On occasion, he could be persuaded to make specific decisions without any reference to the government bureaucracy most concerned with the matter. It soon became apparent to a great many politicians that, because of his general disinterest, Khomeini was a legitimate target for manipulation. Bazergan and his ministers, members of the revolutionary council and a plethora of lesser figures competed for the Ayatollah's ear. Bazergan obviously wanted an early dissolution of the revolutionary committees, and he repeatedly visited Qom with formulas for amalgamation. But just as naturally the members of the revolutionary council opposed this move. Khomeini moved first one way and then another.

However, certain trends are clear. The pro-Soviet left, still represented primarily by the Tudeh party, faithfully followed the Soviet policy of friendship with Khomeini for several months after the revolutionary

⁷Bazergan made this point to Oriana Fallaci, *op. cit.*, and also in several speeches to the nation, for example July 4, 1979, reported in *Foreign Broadcast Information Service*, July 6, 1979.

victory. This policy limited the Tudeh's attractiveness to secular elements that were deeply worried by the move toward rule by a section of the mojtahedin. The non-Soviet left gained substantial strength among university students and elements of the middle class who hoped for a group that had the strength and organization to resist creeping theocratic control.

But the access of the left to the lower middle class, unskilled workers—in other words to the great mass of the people—is sharply limited. The Iranian proletariat, by and large, is pro-Khomeini. Victory for the left in the near future is unlikely, unless there is such institutional disintegration that a relatively small elite with a military arm can seize power.

The left of center and liberal secular intellectual element is increasingly impotent. Emigration from Iran since the revolution is epidemic among the elements that had accommodated themselves to the regime, and these are precisely the elements that should form the base of support for left center secular intellectuals. Some among them, like Mossadeq's grandson, Hedayatollah Matin Daftari, moved into strong opposition days after revolutionary success. But, given the strength of Islam, secular intellectuals can appeal to only marginal public elements. One National Front leader, Darius Foruhar, recognized the hopelessness of attempting to lead Iran without an ability to reach the religious mass. He therefore left the National Front and formed the Mellat party. On paper, the formula for Mellat's success is reasonable. But for Foruhar, as for any would-be Iranian leader, the inescapable condition for success is access to Khomeini.

Bazergan and his lieutenants, many of whom were members of the Freedom Front, steadily lost ground. As their popular base of support narrowed, their dependence on Khomeini intensified. Their position was secure enough to withstand several severe tests. But even before the seizure of the embassy toppled Bazergan, he had lost some critical battles.

Among religious groups, too, the vital ingredient is access to Khomeini. But there are two groups of significance that do not look to access for survival. One is the Mojahedin e Khalq, the core elements of which had resorted to guerrilla activity against the Shah. Radical and social revolutionaries, they denounce Marxists, imperialist influence and the increasing dominance of leading religious authorities.

(Continued on page 34)

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Although this specialist believes that "it is unlikely that there will be any major disturbance in the near future" in Saudi Arabia, he points out that "it is possible . . . that accelerated economic development and the use of expatriate labor will introduce divisive factors into Saudi society that will undermine social cohesion and lead to a weakening of the government, opening the doors to radical Arab elements." In the long run, this would "lead invariably to higher oil prices and more active use of 'oil power' to gain Arab objectives."

Saudi Arabia: Our Conservative Muslim Ally

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NO country has entered American public consciousness more abruptly and more dramatically than Saudi Arabia. Before 1973, only a handful of Middle East specialists possessed reliable, accurate information about the kingdom and its people. Outside this small group misinformation prevailed. In the public mind Saudi Arabia was a desert populated by camel-riding nomads dressed in white robes and ruled by a profligate oligarchy. It was known that the country owned a lot of crude oil that was exploited by an American oil company. No one thought that this small country could ever become a threat to the United States.

The oil embargo and the Organization of Petroleum Exporting Countries (OPEC) price hikes of 1973-1974 changed that attitude. Overnight, Saudi Arabia became a nation that had to be taken seriously. Saudi Arabia could endanger the American economy by turning off the flow of crude oil. She might try to force the United States to support Saudi demands in the Middle East. With her fantastic oil profits she would soon be able to buy large segments of American industry. It is not surprising that United States Secretary of State Henry Kissinger's threat to invade the oil fields found some support.

On the whole, the kingdom's power has been overestimated. There can be no doubt that Saudi Arabia is a major economic power and that she could destabilize the Western economies by withholding crude oil. However, she is integrated into the world economy and, except for very short-run advantages, her use of the oil weapon would be self-defeating. The Saudis need Western technology to develop their economy, Western markets for their exports and Western financial markets to invest their excess oil revenues. Saudi Arabia's current and future actions are largely determined by the need to fend off a series of external threats. Her policies are constrained by the power of other Arab states, her weak military position, her relatively underdeveloped economy, and her conservative ideology that focuses on a firm commit-

ment to the strengthening and expansion of the Islamic faith.

II

To understand Saudi Arabia today it is necessary to remember some important aspects of her history. The rise of Saudi Arabia to regional and international significance can be divided into three periods: 1745 to 1818, 1906 to about 1960, and the years since 1960. The people of central Arabia have been an important force in the Middle East since the beginning of the nineteenth century. Inspired by the teachings of the religious reformer Mohammad Abd al-Wahab and under the leadership of the house of Saud, the tribes of central Arabia (Nejd) began to expand their influence across the Arabian Peninsula late in the eighteenth century. By 1810, they controlled Mecca and Medina; they had conquered Karbala, the Shia holy city in southern Iraq, threatened Damascus and Baghdad, and menaced the security of the Turkish Empire. To counter this peril, in Constantinople Sultan Mahmud II ordered his Egyptian Viceroy, Mohammad Ali, to recapture Mecca and Medina and to pacify the rebellious tribes. In 1818, Mohammad Ali's forces captured and destroyed Ab-Diriyah, the Saud stronghold, and executed the leader of the Saud clan. The first attempt to establish the Wahhabi kingdom had come to an end, but Abd al-Wahab's teachings survived and the Saud family continued to play a role among the Nejdi tribes.

Eighty-four years later, Abd al-Aziz Al Saud began the struggle that led to the formation of the Kingdom of Saudi Arabia. Again Abd al-Wahab's teaching and Saud leadership combined and conquered most of the Arabian Peninsula. Once again the tribesmen of the Nejd stood before Karbala and menaced Iraq and Jordan. This time, however, it was Abd al-Aziz who stopped the advancing desert warriors because he realized that further expansion into Iraq and Jordan would bring him into conflict with England. On March 29, 1929, he defeated his rebellious *ikhwan* in

the battle of Sibilla, signaling the end of Saudi territorial expansion.¹

Except for the dispute over the oil rich al-Buraimi Oasis (1952-1955), where Britain again defined the limits of Saudi power, the next 30 years passed peacefully and without major regional entanglements. Oil was discovered in 1938, and effective exploitation began after World War II. When King Abd al-Aziz died in 1953, he was succeeded by his oldest son, Saud, and his second son, Feisal, was appointed Crown Prince. Saud failed as a ruler and was deposed in 1964 by a family decision. Feisal replaced him and under his rule Saudi Arabia emerged from isolation.

The third period of active Saudi involvement in Middle East affairs opened with Saudi Arabia's historic role reversed. The realities of world power relationships had ended Saudi territorial expansionism in 1929. The kingdom was no longer a threat to its neighbors; it had become a conservative force, itself threatened by aggressive neighbors armed with opposing ideologies.

By the early 1960's, several conservative, monarchist Arab governments had fallen to leftist, revolutionary, secularizing forces, which threatened the survival of the Saudi monarchy. In 1958, Egypt began her verbal attacks on the royal family and the Saudi form of government. In 1961, Iraq declared the Sheikdom of Kuwait an integral part of her territory, forcing Saudi Arabia to send troops to Kuwait in support of a kindred government.

Pressure intensified in 1962, when Saudi Arabia and Egypt backed opposing sides in the Yemeni civil war. Settlement of the Yemen issue did not bring relief because a radical government came to power in Southern Yemen. Subsequent Soviet support of Egypt, Iraq, Syria and Southern Yemen strengthened the radical forces opposed to Saudi Arabia. In 1969, Libya's monarchy was toppled. Muammar el-Qaddafi emerged as leader, and Libya joined the ranks of the radical Arab forces. Aside from Saudi Arabia, only the governments of Jordan, Kuwait and the Trucial Coast sheikdoms survived the turmoil of the 1960's as conservative governments.

Viewed from Riyadh, it was clear by 1970 that Saudi Arabia was surrounded by hostile regimes prepared to overthrow the monarchy. Her strategic importance and oil resources made her a tempting target for attack and subversion. Although nearly a decade has passed, the situation has not changed.

On her northern flank, Saudi Arabia faces three potential adversaries: Iraq, Syria and Iran. Until 1978, the most likely threat came from Iraq. In

addition to Iraq's claim on Kuwait, there were long-standing Saudi-Iraqi border problems. The borders of the two countries are ill-defined, and disputes have led to occasional shooting incidents. The Syrian threat is less immediate. It is based on ideological differences that are unlikely to generate major hostilities.

Recent events have temporarily reduced the threat of a military confrontation between Saudi Arabia and her northern neighbors, because domestic difficulties have weakened the Syrian and Iraqi governments. Both nations are governed by minorities. Syria's ruling elite comes from a minority Muslim sect and is challenged by several dissident groups. Furthermore, the Syrian army is tied down in Lebanon. Iraq's government is likewise based on a minority and currently faces a challenge from its Shia majority and the Kurds. The recent thaw in Saudi-Iraqi relations stems in part from the threat that militant Shiism poses to the Iraqi regime and the resurgence of militant Kurdish separatism. An attempt is currently under way to control Iraq's Kurdish minority by forcible relocation of some Kurds from their home districts to the southern regions. Finally, there appears to have been a lessening of ideological fervor in Syria and Iraq leading to an overall decline of the pressure exerted by the radical forces on the conservative Saudi regime.

Egypt is no threat at the moment. Her economic problems have finally forced her to abandon her imperialistic designs. President Anwar Sadat ended Egyptian propaganda attacks and support of Saudi enemies after President Gamal Nasser's death. In return, Saudi Arabia increased her subsidies until the Camp David accords. Currently, Anwar Sadat's peace-making efforts with Israel demand his full attention, leaving no room for intra-Arab adventures.

On the other hand, Iranian attempts, with United States support, to establish hegemony in the Persian Gulf have created a major threat to Saudi security. In 1971, Iran seized the islands of Abu Musa and the Greater and Lesser Tums. Shah Mohammed Riza Pahlevi also expressed a claim on Bahrain and assisted Oman with troops and planes in the suppression of the Dhofar rebellion. The Shah eventually withdrew his troops from Oman and the islands, but the shadow of future intervention, especially once Iran's oil reserves are depleted, still hangs over the region.

The revolution of Ayatollah Ruhollah Khomeini has not diminished the danger. The Sunni-Shia schism has introduced considerable emotional hostility into the relationship between the two nations. Indeed, Khomeini's Islamic Republic is a greater danger than the Shah's dictatorship. The Shah merely sought political and military domination of the Gulf, but Khomeini threatens the monarchy. According to Khomeini, all power belongs to God, who delegated

¹The *ikhwan* were the bedouin whom Abd al-Aziz settled in agricultural villages. They were to cultivate the soil and study and practice their faith. They became known and feared for their overzealous, uncompromising belief in Islam.

earthly power to the Prophet Mohammad and his successors. Since the disappearance of the Twelfth Īman, Muslims should be ruled by the *ulama* (religious leaders), because they are best qualified to interpret God's will as revealed in the Koran. However, in Saudi Arabia the *ulama* are only partners in the government.² This violates God's will; therefore, the Saudi form of government is illegitimate because the *ulama* do not have complete power. Iran's militancy is underscored by recent statements made by the Ayatollah Sadek Rouhni, who has warned that unless the current Bahraini government accepts Shia demands and adopts an Islamic form of government, Iran will annex the island and impose an Islamic Republic.³

Currently, the most serious threat to Saudi Arabia comes from Yemen. Southern Yemen (Aden, also called the People's Democratic Republic of Yemen, PDRY) supports the Dhofar rebellion, which threatens stability in Oman and possibly in the United Arab Emirates (UAE). The rebellion has been put down with British and Iranian help, but the overthrow of President Salim Rabai Ali raises the specter of renewed active support of the rebels as well as direct invasion by the PDRY. It is unlikely that the rebellion will achieve its goal in the near future. However, success would bring the Soviet Union one step closer to control of the tanker routes to the United States, Europe and Japan, because it would place a government subject to Soviet influence in control of the Strait of Hormuz. The PDRY is firmly allied with the Soviet Union. Its capital city, Aden, could become a Soviet naval base, threatening the entrance to the Red Sea. Some Cuban and East German soldiers and advisers are stationed in Yemen (Aden). There have been several armed border clashes between Saudi Arabia and the PDRY.

The Saudis have made attempts to lessen the tensions and to establish closer ties with Yemen (Aden). These efforts came to an end in June, 1978, when Abdel Fatah Ismail, secretary general of the United Political Front, overthrew President Salim Rabai Ali and executed him and a number of his supporters. Ali's overthrow was a victory for the most radical element of the PDRY's leadership and for the time being it precluded any hope for a lessening of tensions. The coup of June, 1978, may indeed have been triggered by President Ali's willingness to work toward a rapprochement with Saudi Arabia.

The danger on the southern border is intensified by the fratricidal war between the PDRY and Northern Yemen (also called Yemen [Sana], Yemen Arab Republic, YAR). Saudi Arabia supports Yemen

(Sana) as a counterweight to Yemen (Aden). Besides giving the YAR diplomatic support against her neighbor, the Saudis have given generous economic assistance. The Saudis could become embroiled in the intra-Yemen disputes, forcing active Saudi intervention. Thus, when Yemen (Aden) invaded its northern neighbor recently, as part of the continuing effort to unite the two Yemens under its leadership, Saudi Arabia almost became involved in a major border war. The Saudis transferred military equipment and paid for about \$500-million worth of United States weapons to strengthen Yemen (Sana) armed forces. The border war between the two Yemens ended quickly, and Saudi Arabia did not actively enter the struggle on the YAR's side. However, as long as the radical government rules in Aden a major confrontation between the kingdom and Yemen (Aden) is a distinct possibility.

Saudi Arabia is also an active participant in the Arab-Israeli conflict. Abd al-Aziz held that Palestine is Arab land and that the Israelis have no claim to it. This extreme position has been modified. Today, the Saudis no longer question Israel's right to exist. They do, however, demand Israel's withdrawal from all Arab territories occupied in 1967, including East Jerusalem. On the question of Jerusalem, the Saudis are as inflexible as the Israelis. They demand that Islam's third holiest city should be freely accessible to all Muslims and under complete Muslim control. Because the Camp David agreement failed to provide explicitly for the return of East Jerusalem to Arab control and to provide specific steps for Palestinian autonomy, Saudi Arabia rejected the accord quickly and forcefully. Despite their internal problems, the radical Arab states have it within their power to create problems for the Saudis. They could encourage the extremist Palestinians to foment trouble in the kingdom or to sabotage the oil fields.

Despite its oil wealth, the kingdom is extremely vulnerable to outside threats. It has ample reason to fear its Arab neighbors; it has no strong allies in the region; it is militarily weak and its economy is still underdeveloped. The survival of the nation depends on the modernization of the Saudi economy, the improvement of the armed forces and the maintenance of internal cohesion. Saudi Arabia's economic and military weakness has forced her into a delicate balancing act. Within the region, her policy is designed to fit her own political system into the larger context of Arab nationalism. Moreover, she is firmly dedicated to the resolution of the Arab-Israeli conflict without loss of Arab land.

Internationally, the Saudis look to the United States for support in the protection of their interests and to offset Soviet influence in the Middle East. The United States-Saudi relationship began in 1933. Unfortunately, the United States usually took Saudi

²For additional detail see Fouad al-Farsy, *Saudi Arabia* (London: Stacey International, 1978), especially pp. 66-69.

³*The Christian Science Monitor*, September 28, 1979, p. 3; *ibid.*, October 5, 1979, p. 4.

Arabia for granted. Most Saudi leaders and technicians have been educated in the United States and are favorably inclined to it. Nevertheless, this relationship has always been modified by the Arab-Israeli conflict. In 1961, for example, Saudi Arabia refused to renew the lease on the United States airbase in Dhahran, in part because of American aid to Israel. The Arab boycott against firms doing business with Israel is strictly enforced by Saudi Arabia against American business. The Saudis did not seriously support the 1967 oil boycott against the United States, but gave complete support to the boycott of 1973.

In OPEC circles, Saudi Arabia has been a voice of moderation against Iran and the radical Arab oil-exporting states. In 1977, Saudi Arabia forced OPEC to scale down its price rise by announcing a smaller increase in the price of her crude oil. To force the other producers into line, Saudi Arabia increased her output by 22 percent; and the lower price seriously cut into the sales of the other producing countries, which led to a reduction of the planned price hikes by July, 1977.

In 1978, Saudi Arabia established an output ceiling of 8.5 mbd as a conservation measure as well as a means to keep world oil supplies tight. The recent increase in output above that ceiling rate was prompted in part by the need to offset the decline in Iran's output to avoid serious shortages in the United States and elsewhere. In return, the Saudis expect the United States to use its influence to induce Israel to reach an overall settlement, including autonomy for the West Bank. In October, 1979, the Saudis extended the higher production rate until the end of the year to avoid crude oil shortages in Europe and the United States.⁴ It appears that they will wait for the desired United States response. If they decide that the United States efforts have not been vigorous enough they may return to the 8.5 mbd ceiling in January, 1980, causing a shortfall in world crude oil supplies. A reduction of output by one million barrels a day would jeopardize the delicate international economic balance. In the United States, lines would reappear at

⁴Balance of payments estimates released in October, 1979, indicate that Saudi Arabia had a \$59.0 million deficit, primarily because of payments for military hardware and manufactured goods imports. Thus, continuation of output above the 1978 ceiling also appears designed to eliminate this deficit.

⁵President Carter's 8.5 mbd ceiling is about as meaningful as the ceiling on the national debt, and it is unlikely that the lid will be kept on when demand pushes against this constraint. As far as imports from Mexico are concerned, there is considerable doubt that these will meet a major shortfall in United States supplies. Indications are that Mexico will move slowly to expand output. Even if the Mexicans intend to meet United States demand, the long time lag between discovery and production will delay any major increases in Mexican exports until the end of the 1980's.

the gas stations and energy prices would rise, aggravating already strong inflationary pressures.

III

Economic development and social reform have been the main Saudi concerns since 1962. In 1965, a Central Planning Organization was established, and by 1970 implementation of the first five-year development plan had begun.

The first plan laid out an extremely ambitious program. Under the assumption that crude oil exports would provide the needed resources, the plan called for the most rapid diversification possible. The planners' resolve was reinforced by the large increases in oil revenues resulting from the successive OPEC price hikes in 1973 and 1974 and by rising crude oil prices. They tried to accomplish everything at once. Measured in aggregate terms, the development program was a success (Table One). From 1970 to 1975, gross domestic product (GDP) grew at an annual rate of 13.5 percent, compared to a projected rate of 9.1 percent. Today, the basic physical infrastructure is nearly complete. Trunk roads connect all major population centers; basic education, medical and social services are available to all Saudis; post-secondary education is expanding rapidly; telephone and public water supply systems are being built. Total gross capital formation, an important indicator of overall economic development, amounted to \$17.3 billion in fiscal 1976/1977, representing about 29.0 percent of gross domestic expenditure.

This rapid economic advance was achieved at high social cost. Bottlenecks developed; prices rose rapidly; and the rate of inflation reached a peak at 35.0 percent in fiscal 1974/1975.

The underlying assumption of the 1970-1975 plan period was that development expenditures would expand capacity rapidly enough to absorb accelerating government expenditures and would thus prevent high rates of inflation. This was a miscalculation. The nation's social and economic absorptive capacity is simply not enough to allow the investment of billions of dollars without high rates of inflation.

The planned strategy was changed for the second five-year period. The broad front approach to industrial development was abandoned in favor of a more narrowly focused effort designed to create an integrated hydrocarbon industry on both the east and west coasts, in the towns Jubail and Janbu, respectively. The plan also emphasized accelerated agricultural development leading to self-sufficiency in food by the end of the century, and rapid manpower development.

The most important result of this change in planning strategy was the decision to limit oil production to the rate of new discoveries. This will have a significant effect on the United States energy problem. It has been estimated⁵ that the United States may

Table 1: Saudi Arabia

Selected Indicators of Economic Activity

GROWTH RATES				
Real Gross Domestic Product	First Plan	Second Plan		
	1970-1975	1975-1980		
	Projected (% p.a.)	9.1	10.2	
Actual (% p.a.)	13.5	11.0 ¹		
CRUDE OIL				
	1970	1973	1977	1978 ²
Total Output (Million bbls.)	1,386.7	2,772.6	3,358.0	3,038.0
Avg. Daily Production (m.b.d.)	3.8	7.6	9.2	8.6
Total Oil Revenues (\$millions)	1,214.0	4,340.0	36,540.0	31,423.4
GROSS CAPITAL FORMATION ¹				
(Million U.S. Dollars) ⁴				
	1970/71	1972/73	1976/77	
Government	359.4	592.5	11,637.9	
Non-Oil Private	343.6	498.2	5,188.7	
Oil	172.2	609.0	1,340.6	
Total Gross Fixed				
Capital Formation	875.2	1,699.7	18,167.2	
Inventories	-61.2	-33.7	-893.4	
Total Gross Capital Formation	814.0	1,666.0	17,273.7	
PRICES				
	1971	1973	1978	
Cost of Living (1970 = 100)	104.9	127.0	299.0 ²	

¹Arithmetic Average, for the first three years of Plan II (1975/76 to 1977/78).²Saudi Arabian Monetary Agency, *Statistical Summary*, First Issue 1399 (1979). Tables 9, 25 (b).³Saudi fiscal years.⁴Calculated at September 27, 1979, exchange rate.

Source: Saudi Arabian Monetary Agency, Annual Report, 1397 (1978) and 1398 (1977). Various Tables.

have to import at least 15 million barrels of crude oil daily by 1985. The most likely source of this additional supply is Saudi Arabia. The projected United States need implies a Saudi crude oil output of at least 14 to 16 mbd. There is no indication that Saudi output will increase to this level, because it would require a rise in output capacity of about 5 mbd. There is no evidence, however, that capital formation in Saudi Arabia's oil industry will be increased significantly above the current rate of about \$1.3 billion (Table One). Furthermore, the Ministry of Finance announced in 1977 that all future investment in oil field production capacity expansion must be met out of the 50¢ per barrel margin reserved for Aramco's American operating companies after nationalization is completed.⁶ Clearly, there is a major difference

between United States expectations and Saudi plans, raising the possibility of major energy shortages in the United States beginning in the mid-1980's.

Saudi Arabia is enlarging and modernizing her armed forces. In 1967, the army and air force fielded 50,000 men. Today their strength has doubled.⁷ Between 1973 and 1978, military expenditures amounted to almost \$31.0 billion,⁸ a sum equal to 1976 oil revenues. In 1978, the Saudi air force was equipped with 137 fighter aircraft, including F-5E's, BAC-167 ground attack planes, Lightning fighters and over 50 helicopters; the army had over 685 tanks, including AMX-30's, M-41's, M47/-60 medium tanks and others; the major cities and the oil fields are protected by Hawk missiles.⁹ By 1982, Saudi Arabia expects to take delivery of more than 5,000 missiles,

(Continued on page 35)

⁶"Saudis Throw Gauntlet to West," *The Middle East*, March, 1979, p. 104.⁷U.S. Arms Control and Disarmament Agency, *World Military Expenditures and Arms Transfers, 1967-1976*, July, 1978, p. 103.⁸*Electronic Warfare/Defence Electronics*, vol. 10, no 1 (1978), pp. 73-74.⁹Dale R. Tahtinen, *National Security Challenges to Saudi Arabia* (Washington, D.C.: American Enterprise Institute, 1978), pp. 34, 36, 40.

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"One of the signal accomplishments of the Palestinian resistance movement has been to establish the Palestinians as a distinct people with real grievances. . . . As the PLO enters the 1980's, it has considerable international resources, but it will face hard decisions in trying to utilize these resources effectively."

The Palestinians: Retrospect and Prospects

BY MICHAEL C. HUDSON

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FOR the Palestinians, the decade of the 1970's was like a roller coaster. It began with a down-rush from the sudden efflorescence of the resistance movement in 1968 and 1969 to the abyss of "Black September," 1970, when Jordanian King Hussein's army drove them out of Amman and eventually out of Jordan altogether. After the October, 1973, Arab-Israeli war, the Palestinians gained renewed strength when the postwar impetus for a comprehensive settlement brought them once again to the center of attention. At Rabat in October, 1974, the Palestine Liberation Organization (PLO) won the formal endorsement of all the Arab states (including Jordan) as the sole legitimate representative of the Palestinian people, and King Hussein withdrew his claim to responsibility for the West Bank region.

These moments of triumph, however, were short-lived, for the Palestinians soon found themselves involved in the vicious Lebanese war of 1975-1976, deflected from their goal of combatting Israel and betrayed by Syria, their most important patron. Bloody but unbowed, they submitted to the discipline of the Arab states but retained a certain autonomy and capability for violence, mostly of a terroristic sort, against Israel. For a moment in 1977 it looked as if the United States and the Soviet Union would succeed in resuscitating the comprehensive settlement process, in which the Palestinians would be represented at the Geneva conference, but this effort was superseded by Egyptian President Anwar Sadat's visit to Jerusalem, the Camp David accords, and the Egyptian-Israeli peace treaty of March, 1979.

Ironically, the fact that organized Palestinian opinion was ignored by these developments created a new climate of Palestinian solidarity with the rest of the Arab world and brought a renewed realization in world opinion, even to some extent in the United States, that authentic Palestinian representatives had to be brought into the peace process if progress were to be made. So the decade of the 1970's ended on a relatively optimistic note for the PLO and the Palestinian community. Despite the dangers on all sides, many Palestinians are confident that the 1980's will see the creation of a small Palestinian state in the

West Bank, East Jerusalem and Gaza, spelling the end of the Palestinian question as a major issue in Middle East politics.

THE ROOTS OF PALESTINIAN RESISTANCE

There can no longer be any doubt that the Palestinians regard themselves as a distinct political community within the Arab umma, or nation, and that the Palestine Liberation Organization has established itself as the sole political representative of the Palestinian people. There are perhaps 4 million Palestinians in the world, of whom some 1.65 million now live in Israel or under Israeli military occupation, another 1.15 million in Jordan, and the rest in neighboring Lebanon, Syria, Kuwait and other Arab states, Europe and the Americas.

Wherever they may be, whatever citizenship they may formally hold, they are conscious of a certain Palestinian identity, shaped in large part by the traumatic impact of Zionist Jewish nationalism on Palestine since the Balfour Declaration of 1917. Decades of fruitless struggle culminated nearly half a century later in the emergence of the Palestinian resistance movement. The resistance enjoys genuine mass support and is based on the principle that only armed struggle by Palestinians themselves can reverse the disasters of the past. Although the PLO was established in 1964 by Arab heads of state essentially as a way to channel potentially revolutionary fervor into controllable activity, in February, 1969, the major resistance organization, Al-Fatah, took it over. Thereafter, the PLO possessed a popular legitimacy that has only increased over the last decade. Today, even Israeli and United States specialists agree that there is no credible alternative to the PLO as the representative of the Palestinian people.

This consolidation of Palestinian identity, political structure and capability did not occur easily, nor is it yet complete. While the notion of "Palestine" was historically nebulous, shaped by a variety of religious (Christian as well as Muslim) perspectives and political-administrative practices, it nevertheless has enjoyed usage in one form or another ever since the Romans coined the term in the second century A.D.

TABLE 1: Distribution of Palestinians

West Bank	700,000
Gaza Strip	450,000
Israel	500,000
Jordan	1,150,000
Lebanon	400,000
Syria	250,000
Kuwait	250,000
Saudi Arabia	50,000
Elsewhere*	250,000
Total	4,000,000

Source: *The New York Times*, February 19, 1978

*Note: "Elsewhere" includes 80,000 in Egypt, Iraq, Libya and Algeria, 50,000 in Europe, and 70,000 in the Americas.

The Israeli scholar, Y. Porath, notes that the implantation of "modern" Jewish settlements in Palestine beginning in the 1870's stimulated the development of Palestinianism in its "modern" form, and he traces the earliest Palestinian Arab political consciousness—opposition to Zionism—to the early 1890's.¹ Thus the roots of Jewish-Palestinian Arab conflict well antedate the Balfour Declaration of 1917.

It was not until 1920-1921, however, when the British and French mandates were established over the former Turkish territories, that Palestine took on the concrete national territorial meaning for Arabs that it has today. Until then, as George Antonius has chronicled in *The Arab Awakening*,² the Palestinian Arabs were playing only a part—and a relatively small one at that—in the broader movement of cultural renaissance and reformism that has been stirring throughout the Arab east since the later years of the nineteenth century. The Arab elites, both urban and tribal, expected the establishment of unified independent Arab states in the former Turkish-ruled Arab territories. Instead, the territories were split into separate jurisdictions—Greater Lebanon and Syria under France, Iraq and Palestine-Transjordan under Great Britain; this necessarily fragmented the nationalist movement. At the 1921 Cairo Conference, Britain subdivided its Palestine Mandate into Transjordan, to the east of the Jordan River, and Palestine proper, to the west. Transjordan was created and given to the Hashemite Amir Abdullah, in return for Hashemite support for the British during the war. But

the British denied similar Hashemite demands for the territory west of the Jordan because they feared that direct Arab control might infringe Britain's promise under the Balfour Declaration to facilitate "... the establishment in Palestine of a national home for the Jewish people ... it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine. ..." Already apprehensive about Zionist settlements, the Palestinian Arabs resorted to violent protest in 1920 and 1921, the first of many outbreaks.

To understand these acts of armed struggle and the depth of bitterness and determination that underlies Palestinian resistance today, it is important to recall that the Arabs believed that their claim to self-determination in Palestine was historically and morally unchallengeable. Among the various arguments supporting their position perhaps the strongest was the fact that they constituted the overwhelming proportion of the population and property owners. As of 1914, the Jewish population of Palestine was only nine percent of the total of 689,000, and as late as 1946 Jewish land ownership constituted only around seven percent of the total land area.³ Through their spokesman, the Hashemite Amir Faisal, the Arabs said they were prepared to welcome Jewish immigration and settlement in Palestine but only on the understanding that Palestine move under Arab jurisdiction and sovereignty. While some doubts have been expressed as to whether Palestine per se was included in the area of Arab independence that the British promised the Hashemite Sharif of Mecca that it would support, the consensus today is that it was.⁴ Even if it had not been, however, the indisputably Arab character of Palestine would certainly have impelled the Palestinians, and Arabs in general, to resist the Zionist colonization.

During the British Mandate, 1920 to 1948, Zionist expansionism confirmed the worst fears of the Palestinian Arabs. From the beginning, most Palestinian leaders felt that Britain's attempts to deal "equally" with the Arab and Jewish communities, in terms of local government and autonomy, were unfair to the Arabs, who constituted the great majority. Efforts to separate the Arabs into sectarian communities, Muslim and Christian, were seen as divide-and-rule tactics. Heavy Jewish immigration in the mid-1920's and later in the 1930's, as Nazi persecution mounted in Germany, intensified Arab fears that the Jewish community was laying the groundwork for political supremacy in the post-Mandate period. Probably the most ominous sign of Zionist intentions to the Arabs was the policy of denying Arabs employment on lands acquired by Jews. Thus, long before the 1948 war, Arab peasants were being forced off land they had cultivated for generations, because their lands were

¹Y. Porath, *The Emergence of the Palestinian-Arab National Movement, 1918-1929* (London: Frank Cass, 1974), p. 26.

²George Antonius, *The Arab Awakening* (London: Hamish Hamilton, 1938, 1961), esp. chs. 5-10.

³On population see Janet Abu-Lughod, "The Demographic Transformation of Palestine," p. 141, and John Ruedy, "Dynamics of Land Alienation," p. 125; both in Ibrahim Abu-Lughod (ed.), *The Transformation of Palestine* (Evanston: Northwestern University Press, 1971).

⁴On this dispute over the Hussein-McMahon letters, see Porath, *op. cit.*, pp. 177-82; Antonius, *op. cit.*, pp. 177-82; and William R. Polk, David Stampler, and Edmund Asfour, *Backdrop to Tragedy* (Boston: Beacon Press, 1957), pp. 158-61.

actually held by absentee Arab landlords who had sold out. Jewish landholdings were still marginal—so much so that a 1938 British royal commission concluded that partition was an infeasible solution, given the sparseness of the Jewish population and lands.⁵

Positions hardened on both the Arab and Jewish sides, with the British caught in the middle. In the late 1930's and early 1940's the militant spirit of revisionist Zionism (the faction to which Menachem Begin belonged) gradually gained ground and was reflected in growing Jewish terrorism (against the British and the Arabs) and more strident demands for a state instead of a mere "homeland." Arab opposition, less coherent but just as violent, crested in the massive general strike and rebellion of 1936-1939.

RENEWED CONFLICT

After a brief lull during World War II, the conflict broke out again in the mid-1940's, with renewed terrorism and violence. Great Britain, weakened by her wartime exertions, finally (in 1947) announced her plans to abandon the mandate to the United Nations. The United Nations famous partition plan of November, 1947, called for separate Jewish and Arab states in Palestine, linked by an economic union; but once again the Palestinians felt cheated. Once again their resistance and that of their supporters—Lebanon, Syria, Iraq, Transjordan and Egypt—was in vain and this time had a catastrophic result.

The war of 1948 led to the establishment of an independent Jewish state one-third larger than that allotted to it under the partition plan and, even worse, led to the forced expulsion of some 780,000 Palestinians from their homes. Out of this exodus emerged the refugees whose plight has helped spawn three subsequent Arab-Israeli wars, contributed to the political instability of the Arab world, helped to bring on the destruction of Lebanon, and threatened the access of the industrialized societies to Middle East oil supplies.

After 1948, the support of other Arabs was particu-

*UNRWA: the United Nations Relief and Works Agency for Palestinian Refugees.

⁵See the conclusion of the Palestine Partition Commission Report of October, 1938 (known as the Woodhead Report), Cmd. 5854 (London: His Majesty's Stationery Office, 1938).

⁶Rosemary Sayigh, *Palestinians: From Peasants to Revolutionaries* (London: Zed Press, 1979), esp. ch. 3.

⁷On current demographic patterns, see Edward Hagonian and A.B. Zahlan, "Palestine's Arab Population: The Demography of the Palestinians," *Journal of Palestine Studies*, vol 3, no. 4 (Summer, 1974), p. 54.

⁸David Hirst, *The Gun and the Olive Branch: The Roots of Violence in the Middle East* (London: Faber, 1977), pp. 276-77. Apparently the raiders were apprehended by the Lebanese military security services before they could even enter Israel.

⁹John Cooley, *Green March Black September: The Story of the Palestinian Arabs* (London: Frank Cass, 1973), p. 90.

larly important in keeping the idea of Palestine alive, because the Palestinians themselves were dispersed, and their leaders were discredited. Various Arab leaders, notably Egypt's Gamal Abdel Nasser, took up the Palestinian cause. Faced with the powerful new reality of Israel, many Palestinians decided to concentrate their efforts on building unity among the Arab states, for only then might Palestinian rights in some measure be recovered. Thus the Christian Palestinian doctor, George Habash, and his friends established the Arab Nationalists' Movement. This important ideological force allied itself for a time with Nasser and later—after the Arab states had themselves been discredited in the 1967 war—reconstituted itself as the Popular Front for the Liberation of Palestine, the principal militant wing of the new Palestinian resistance movement.

Even though the Palestinians as a political community dropped out of world consciousness after 1948, not all of them accepted their new identity as "refugees." Habash's group symbolized one kind of response. The discredited traditional leadership also continued to function. In Beirut, the exiled Mufti Hajj Amin and his Higher Committee turned out tracts which few read, and in Cairo a vestigial Egyptian-sponsored Palestinian government maintained an office. Neither developed mass support.

Yet the displaced Palestinian masses, especially the hundreds of thousands in the dismal refugee camps of Jordan, Gaza, Lebanon and Syria, were increasingly ripe for mobilization. To be sure, the trauma of dislocation had stunned the Palestinian community at all levels in the immediate aftermath of the 1948 war. But as the true dimensions of the *nakba* (catastrophe) became clear, the objective conditions for political transformation gradually came into being. Rosemary Sayigh's important new study of Palestinian camp experience recreates not only the human tragedy but also shows how the Israeli refusal to permit repatriation, the indifference of the great powers, and the oppressiveness of the host Arab governments themselves, especially the Lebanese military security office, generated a revolutionary situation.⁶ Around 43 percent of all Palestine refugees registered with UNRWA* in 1972 actually lived in the 53 permanent and 10 emergency refugee camps.⁷

The catalyst for the Palestinian reawakening was the organization called Al-Fatah, which undertook its first act of armed struggle against Israel on New Year's Eve, 1965.⁸ But Al-Fatah (an Arabic reverse acronym for Palestine Liberation Movement) was the product of a political gestation process going back to 1955. In that year, a group of young Palestinians in the Gaza Strip, among them Yasir Arafat, decided to develop a movement that would act independently of the Arab governments to work for the liberation of their usurped homeland.⁹

Having personally experienced the grim refugee life in the camps of Gaza and having fought in the Muslim Brotherhood's Palestinian commando unit against the British in the Suez Canal zone in 1952-1953, Arafat was forced to leave Egypt for Kuwait after Nasser's crackdown against an abortive Muslim Brotherhood coup attempt in 1954.¹⁰ There, according to John Cooley's account, he worked briefly in an Arab engineering firm, but returned the following year to Cairo and then to Gaza where he and his colleagues began to organize the precursor of Al-Fatah.¹¹

Gaza, meanwhile, became the cockpit of Arab-Israeli tensions after a massive Israeli raid in February, 1955, which seems to have been a response to a deterioration in overall Egyptian-Israeli relations rather than a retaliation against across-the-border marauders. Whatever the case, Nasser's military authorities in the Egyptian-administered strip of old Palestine began to organize local Palestinians in a guerrilla campaign against Israel, which lasted until the 1956 Israeli seizure of the Sinai. These were the first Palestinian *fedayeen*, but they were not independent of government sponsorship like the *fedayeen* of the 1960's and 1970's. The young Palestinian radicals who also began to organize in Gaza that year were already suspicious of Egypt's real intentions toward Palestinian aspirations, particularly after Nasser's crackdown against the Muslim Brotherhood.

In the summer of 1957, in Kuwait, Arafat and several companions "met together on a beach just beyond Kuwait City at sunset to establish a formal organization, the name based on a double acronym: Harakat Tahrir Falasteen (Palestine National Liberation Movement) and Falasteen Tahya Huraa (Free Palestine Lives). Al-Fatah (Victory) . . . the 48th Sura of the Quran."¹² Fund raising for the revolution was apparently Arafat's principal preoccupation at that time, although he also began organizing Palestinian students in various Arab countries. At the end of 1958, Arafat's comrade-in-arms, Tawfiq al-Houri began

publishing the magazine *Filastinuna* (Our Palestine), spreading the call for armed struggle among Palestinians throughout the Arab east. The Algerian liberation movement was also under way, and Arafat developed contacts with it; later, after Algerian independence, the new government offered Fatah training, recruitment, and fund raising assistance. The incipient Palestinian revolution was discovering its kinship with third world liberation movements.

Other clandestine Palestinian organizations also began to materialize at the end of the 1950's. One was the Palestine Liberation Front (PLF) based in Syria and headed by Ahmad Jibril, a Palestinian officer in the Syrian army; its forte was military rather than political action. In the early 1960's, Habash's Arab Nationalists' Movement created a guerrilla organization called the Vengeance Youth, led by Nayif Hawatmeh, and just before the 1967 war, another group of ANM members established a group called the Heroes of the Return. Within six months after the Six-Day War, all these organizations merged into the Popular Front for the Liberation of Palestine (PFLP), under the general leadership of Habash; however, in little more than a year they had split again, in some cases taking different names but still maintaining more formalistic left-wing ideological positions than Al-Fatah. By the beginning of 1969, Jibril's PLF had split off to become the PFLP-General Command, Hawatmeh's Vengeance Youth had been transformed into the Popular Democratic Front for the Liberation of Palestine (PDFLP), and Habash's ANM guerrillas retained the appellation PFLP.¹³ These groups are still very much alive at the beginning of the 1980's, maintaining an on-again, off-again relationship to the umbrella organization of the resistance movement, the PLO.

The PLO was a relatively belated creation of the Arab heads of state in 1964. Unlike the clandestine organizations, it was the offspring, on the one hand, of the opportunism of leaders who wanted to exploit the strong feeling over Palestine in Arab public opinion and, on the other, of their fear that, if they did not thus preempt the issue, the growing clandestine organizations (of which their intelligence services must have been aware) might burgeon and create regional or internal instability. With such parentage, it was little wonder that the PLO was fairly docile before its Arab state patrons and better known for press conferences than effective action. Nonetheless, the PLO, perhaps in spite of itself, contributed to the conscious-

(Continued on page 31)

¹⁰Abdullah Schleifer, *The Fall of Jerusalem* (New York: Monthly Review Press, 1972), pp. 63-65. The other principal "revolutionary" organization of the time, the Communist party, had been forced to accept the legitimacy of Israel's creation, in accordance with Soviet policy, and was thus deeply compromised in Arab eyes.

¹¹Cooley, *op. cit.*, pp. 90-92. My account of the origins of Al-Fatah is drawn largely from Cooley's and Schleifer's books. See also the studies by the former U.N. truce supervision organization commander, E.L.M. Burns, *Between Arab and Israeli* (New York: Ivan Oblesky, 1962) and a former *New York Times* correspondent, Kenneth Love, *Suez: The Twice-Fought War* (New York: McGraw-Hill, 1969).

¹²Schleifer, *op. cit.*, p. 63.

¹³On organizational developments at this time see William B. Quandt, Fuad Jabber and Ann Mosely Lesch, *The Politics of Palestinian Nationalism* (Berkeley: University of California Press, 1971), ch. 2.

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"Sadat's vision, courage and decisiveness have reaped significant territorial and economic benefits for Egypt. What eludes Sadat, however, is reentry into the Arab state system."

Egypt at Peace

BY LOUIS J. CANTORI

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At the beginning of the 1980's, Egypt continues to be a land of contrasts. There is sand and desert and verdant green vegetation. There is the gleam of polished marble and the hum of elevators in the skyscraper's lobby, and the gallabiya-clad worshipers in the same lobby prostrated in prayer on the marble floor.

Today, there are also contrasts in policies and politics. In Gamal Abdel Nasser's Egypt (1954-1970) one spoke of efforts at development from above, and one hardly ever spoke—or at least not where one could be overheard—of democracy. In 1980, one can speak of democracy, but democracy from above. Prescribed, directed and constrained, the new democracy reflects the paternalistic familial political culture of the land. Democracy is beneficial within the bounds prescribed (however gently) by the leader.

The sharpest contrast is in the field of development policy. The main impetus for development is to come from foreign, largely private investment as well as from Egyptian investment. This attention to the private sector is a shift in degree from the earlier Nasser period: but there is a further, more basic structural change in development policy. Development no longer comes exclusively from above: it comes by edict and perhaps local instinct from below. A governor is no longer simply a governor, he is now the "president" of his provincial "republic." President Anwar Sadat followed his economic liberalization of 1974 (with its invitation to foreign and Egyptian private capital) with the administrative decentralization of development in 1975. Development is to originate in the provinces. Meanwhile, develop-

ment continues, accompanied by the usual stresses and strains.

Affecting both democracy and development is the March, 1979, peace treaty with Israel. On the one hand, restrictions of democracy are, to a degree, constraints against domestic criticism of the treaty. Neither the religious right nor the "Marxist" left are to be permitted to criticize the treaty. On the other hand, the ultimate domestic acceptance of the treaty will be based on economic performance. Has the treaty brought economic benefit or not?

Some understanding of democracy and development in Egypt can be gained from an inspection of its social structure. The authoritarian nature of Egyptian society can be perhaps traced to the historical necessity to manage a complex irrigation agriculture. At the sociological level, it may reflect the political socialization process of the family and the patriarchal Egyptian father.¹ Democratic tendencies in Egypt may emanate from the social egalitarianism of Islam.

The authoritarian character of the society can be seen in its political elitism. The elite include the ruling elite, the middle class, the landowners, and the religious class. The masses, on the other hand, include the urban proletariat, the urban masses, the peasants and, least significant, the nomads.

Since the death of Nasser in September, 1970, the elite has remained true to its lower middle class origins. It draws its major support from a numerically significant and relatively prosperous middle class,² and the military.

Since 1970, the military has remained in the barracks; it acquired status and prestige after its praiseworthy performance in the October, 1973, War. The military may no longer be in politics but it is definitely of politics.³ President Sadat himself was one of the original Free Officers in 1952 and his designated successor, Vice President Husni Mubarak (former air force commander) enjoys significant symbolic prominence. Sadat himself speaks regularly before army units in order to explain his policies.

The professional middle class has returned to political prominence, and the lawyer class, the most politically significant element of this group, survived as a somewhat independent political voice until 1969:

¹Leonard Binder, "Egypt the Integrative Revolution," in L. Pye and S. Verba, eds. *Political Culture and Political Development* (Princeton: Princeton University Press, 1965), pp. 396-449.

²See the data and analysis presented by John Waterbury, "Egypt: The Wages of Dependency" in A.L. Udovitch, ed., *The Middle East: Oil, Conflict and Hope* (Lexington, Mass.: Lexington Books, 1976), p. 311.

³The former chief of staff who appears to be increasingly playing the role of the leader of the opposition in exile is Said Hussein al-Shazli. Sadat made his remarks regarding the political role of the army in a speech to the Egyptian 3rd Army cited in *Arab Report and Record*, June 6, 1977.

Sadat's "corrective revolution" of May, 1971, has meant a greater role for the rule of law and for lawyers. They have won lawsuits against repressive figures of the Nasser period and have returned to their pre-1952 role as vocal defenders of democracy.⁴

The native Egyptian entrepreneurial class was at first slow to develop in spite of the inducements of Law 43 of 1974 to do so. But by 1976, they had made themselves remarkably visible with their patterns of conspicuous consumption. Wall-to-wall Mercedes Benzes crowded the Cairo streets; thickets of \$36 Johnny Walker Red Label bottles characterized nightclubs patronized by Egyptians. In the 1980's, the Fat Cats (colloquial Arabic: *al-quṭṭ al-siman*) are no less active, having shifted their investment activities from real estate and taxicabs to the slower but more profitable Western and petrodollar joint-venture companies in hotels, banks and chicken farms. Whether this activity indicates the mere motion of entrepreneurship or the solidness of its accomplishment is not clear. This conspicuous wealth may simply exaggerate the inequalities of the society or may find its way to lower class elements.

LANDOWNERS

Because of the solidarity of middle class family ties that bridge rural and urban society, landowners have a political and social importance that transcends the countryside.⁵ Before 1952, 94.3 percent of all landowners owned 35.4 percent of the land and .1 percent owned 19.7 percent. In the mid-1970's, 94.5 percent of the landowners now owned 57.1 percent of the land. The increase in the percentage of acreage owned represents one of the successes of the land reform of 1952 and 1961. Looked at another way, however, in 1952, 5.7 percent of all landowners owned 64.6 percent of the land and in 1965, 5.5 percent of landowners owned 42.9 percent.⁶ The largest holdings had been eliminated, while medium-sized holdings remained relatively constant. In short, the landowning class remains a permanent feature of the Egyptian

⁴The rule of law and the role of lawyers figures prominently in Anwar al-Sadat, *In Search of Identity* (New York: Harper and Row, 1977), *passim*.

⁵The pivotal political role of the rural notable landowning class in Egypt has been analyzed in depth in Leonard Binder, *In a Moment of Enthusiasm: Political Power and Second Stratum in Egypt* (Chicago: University of Chicago Press, 1978).

⁶Arab Republic of Egypt, *Statistical Yearbook* 1975, p. 57.

⁷See Louis J. Cantori "Religion and Politics in Egypt," American Political Science Association, Washington, D.C., September 2, 1979.

⁸For a preliminary assessment of peasant attitudes to inequalities, see Iliya Harik, "Continuity and Change in Local Development Policies in Egypt" presented to the conference, "Strategies of Local Development in the Middle East," cosponsored by the University of Maryland, Baltimore County, and Indiana University, Port Deposit, Md., September 20-23, 1978.

political landscape. It lends its support to the regime, provides it with essential stability and is highly visible in the membership of the People's Assembly.

Before 1952, the religious class legitimized the government. President Nasser subsequently brought the religious leaders under tight government control. During the Islamic religious revival in the 1970's, the Sadat regime permitted a greater degree of religious latitude; witness the relative independent point of view of the Shaykh al-Azhar (the symbolic leader of Egyptian Islam) in matters like family planning and religious law.

With the conclusion of the peace treaty, however, the regime moved against nascent political-religious opposition and used the official Islamic spokesmen to endorse Sadat's peace program. Nonetheless, the right wing (but not necessarily reactionary) Muslim Brethren (*Ikhwan al-Muslimin*) with a pre-1952 membership of one million and a record of a 1954 assassination attempt and a 1965 coup attempt against Nasser, remains a tolerated and potentially formidable adversary. It has already expressed its opposition to the March, 1979, peace treaty and has come under criticism from President Sadat himself.⁷

The urban proletariat, the most volatile segment of the Egyptian masses, has expressed itself politically at regular intervals since the 1952 revolution. In January, 1975, in protest against shortages and inflation and again in January, 1977 (with a loss of life exceeding 70), against a plan to cut food subsidies, this element continues to be a barometer of the political pressure of economic inequalities. Located in the politically strategic industrial urban centers of Cairo, Alexandria and the textile area of Mehalla al-Kubra in the Delta, this element worries the regime.

If the urban proletariat appear restive, the urban masses appear to be quiescent. Consisting of both long-time, even ancient, populations and those more recently arrived from the countryside, the masses seem to retain the parochial solidarity of village ties in the urban environment, ties that are reinforced by the parochialism of urban neighborhoods. With modernization, a greater degree of dissatisfaction and restiveness may develop.

The peasants, comprising perhaps 60 percent of the population, represent the numerical center of political gravity. The administrative decentralization measures of Law 52 of 1975 have undoubtedly had their greatest impact in rural areas. The peasant can perhaps be characterized as enjoying marginal (but significant) economic gains, with considerable inadvertent political autonomy. In the 1980's, the peasant is likely to respond negatively, if a pattern of asymmetrical income distribution between the landowning educated notable (*ayan*) and the below subsistence peasant (*fallah*) becomes apparent.⁸ An enormous effort is being made to develop rural areas. Thus pottery

irrigation pipes are being laid to reduce soil salinization and red kiln dried bricks are replacing earth-tone, sun dried bricks in village housing.

DEMOCRACY FROM ABOVE

The development of democracy in Egypt in the 1970's gained impetus from the strength of President Anwar Sadat's personal democratic convictions; and the unsuccessful coup attempt made by Ali Sabri and his Nasserist coconspirators in May, 1971; it is not at all clear that the next developments in the democratization process occurred at Sadat's initiative even though they received his approval. A commission created by Sadat in the People's Assembly recommended the creation of three forums (Arabic: *manabir*, literally minbars or religious pulpits). These were authorized in March, 1976, as left, right and center forums to debate policy in the Arab Socialist Union and the People's Assembly. During the next few months, these groupings articulated a mixed Marxist/non-Marxist leftism (in the case of the National Progressive Union under a former Free Officer, Khalid Muhyi al Din), a rightist capitalism (expressed by the Socialist Liberals under Mustafa Kamil Murad) and a center group under the Prime Minister, which endorsed current government policy. After the elections to the People's Assembly in October-November, 1976, these forums were permitted to identify themselves as political parties.

Even this very nascent multiparty system came under severe constraints in the aftermath of the January, 1977, violence that followed Sadat's cut in food subsidies on the advice of American and international financial advisers. In the wake of disturbances that spread throughout the urban centers of Egypt and cost at least 79 lives, a scapegoat was found in the National Progressive Unionist party. Hundreds of its adherents were arrested, only to be quietly released months later apparently without a single conviction.⁹

The left also came under attack for its critical position in the aftermath of Sadat's November 19, 1977, visit to Jerusalem. Thus in January, 1978, 10 of its members were arrested for preparing pamphlets critical of Sadat's initiative. The Socialist Liberal party of the political right, on the other hand, which also criticized Sadat, did not feel the wrath of the regime.

In spite of this repression, the process of democratic development received another spur when the pre-1952 political party, the Wafd, reemerged as the New Wafd party. This party did not originate with government

approval, but in the next month it received parliamentary acceptance to organize officially.

Faced with the emerging hurly-burly of more open democratic politics, Sadat tacked to the right. He offered a referendum on May 21, 1978, which asked voters to express themselves as to whether those who had held high office before 1952 (the leadership of the New Wafd party), those who opposed religion, or those who were involved in the 1971 conspiracy (the alleged atheist Marxism and Nasserism of the National Progressive Unionist party) should be permitted to engage in politics. Not surprisingly, an officially reported 85.6-percent turnout registered 98.2 percent support of Sadat's position. Anticipating government action, on June 2 the New Wafd party disbanded itself, and the National Progressive Unionist party suspended its activities three days later. By June 13, the Socialist Public Prosecutor had banned 131 persons from politics; in July, two leading leftist intellectuals were banned from traveling.

Sadat's repression of the opposition had, in fact, consisted mostly of intimidation rather than imprisonment. He remained committed to his version of democracy; hence in July a new "opposition" political party appeared, the Socialist Labor party, a successor of the pre-1952 fascist Young Egypt party. Sadat also took a new party initiative and (ignoring his own centrist Arab Socialist party), established the New Democratic party in August. By October, 310 of the 350 members of the People's Assembly had joined the NDP. The Arab Socialist Union, the pre-existing single party structure since 1961, was to be merged in the NDP and phased out of active politics.

If the regime has been successful in intimidating the left, its record in dealing with the religious right is mixed. Even before the outbreak of demonstrations at Asyut and Minya Universities in March, 1979, protesting Sadat's hospitality to the deposed Shah of Iran and the peace treaty with Israel, Sadat had dealt severely with extreme fringe religious groups.¹⁰ In the March demonstrations, however, he was finally forced to deal with the potentially formidable organization of the Muslim Brethren. In a dialogue with professors of the two universities, Sadat (who had until then tolerated and perhaps even admired the Brethren), spoke of them as a "state within a state," which could not be tolerated. The regime is nonetheless ambivalent on the subject of this rightest group. On the one hand, the Brethren has been denied legal existence as a religious organization or a political party. On the other hand, the "illegal" organization has been allowed to publish a newspaper regularly.¹¹

Sadat's ambivalence was clearly indicated in a meeting at which this author was present. He said, on the one hand, that the Brethren were not to attack the state nor accept money from "dwarfs" abroad (Libya); on the other hand, he indicated that bygones

⁹John Waterbury, *Egypt: Burdens of the Past/Options for the Future* (Bloomington, Indiana: Indiana University Press, 1978), p. 315.

¹⁰Cantori, *op. cit.*

¹¹The text of the dialogue is in Cairo Domestic Service, April 13, 1979, *Foreign Broadcast Information Service* (Middle East), April 16, 1979, hereafter cited as *FBIS*.

were to be bygones and that he did not want to undermine the Brethren nor the editor of their newspaper.¹²

Meanwhile, in June new parliamentary elections indicated the latest version of democracy from above. Neither the peace initiative nor economic policy could be publicly discussed. The results of the elections gave Sadat's New Democratic party 302 seats, the opposition Socialist Labor party, 29, the Liberal Socialists, 3 and independents, 9. The National Progressive Unionist party and the "left" were not represented. With these results, as chairman of the NDP Sadat moved to activate it and give it prominence. Thus the secretary-general of the party became a Deputy Prime Minister for relations with the People's Assembly.¹³

Late in 1979, two further potential stresses became visible. The first was the report that Sadat would ask for constitutional amendment by referendum to permit him to seek another six-year term as President. This would appear to be a controversial issue but not so controversial as a report that a public relations approach would prepare public opinion to accept the politically explosive policy of reducing food subsidies.¹⁴ Clearly, democracy from above in contemporary Egypt has resulted in a centrist government tolerant of the political right, inside Parliament and outside, and intolerant of leftist criticism directed either to the increasingly free enterprise economy or to peace with Israel.

Development in present day Egypt has proceeded from two different directions. In the industrial and service sectors of the economy, under policies of economic liberalization and with massive foreign assistance, development has made dramatic advances. The gross national product (GNP) growth rate in late 1978 was eight percent and the 1979 estimated growth

rate is nine percent. Spurred on by sharp increases in remittances from abroad (\$2 billion), Suez Canal revenues (\$6 billion) and oil (\$.83 billion), Egypt's hard currency reserves have never been better. On the negative side, however, and lending itself to a more pessimistic appraisal, there is the fact that the International Monetary Fund expected the food subsidy program to amount to \$2.591 billion, and, instead, in October, 1979, the subsidy program stood at \$3.311 billion.¹⁵ The resulting budgetary imbalance made the IMF reluctant to help Egypt further in funding her short-term debt payments.¹⁶

The economic boycott declared by the rejectionist states at their March, 1979, Baghdad meeting also had a negative effect on Egypt's economy. In broad terms, this resulted in the slow drying up of already allocated assistance money and the closing down of consortium arms production in Egypt. On the other hand, Egyptian workers are still welcomed abroad; Saudi Arabian (and Arab Gulf states) private investment still progresses; and the billions of dollars in Kuwaiti and Saudi Arabian bank deposits remain in Cairo banks. Nonetheless, the full effects of the boycott have yet to be felt, even though the approximately \$1.2 billion in United States economic assistance should blunt the shock.

But although the non-agricultural sectors of the economy have been showing surprising strength, rural development has lagged.¹⁷ What is most noteworthy about this the rural sector is not any spectacular economic result but rather the administrative changes in the countryside under Law 52 of 1975. Under this law, Egypt's 26 governors are given almost complete responsibility and authority in their areas, and villages are permitted to retain 75 percent of tax revenues collected at the local level for local development projects. It is still too early to see any results of this process, but two observations are in order. A great deal of economic activity is taking place in the countryside; and the autonomy of local decision-making appears to have energized local politics. Thus even while democratic politics remains, at best, a "guided" democracy at the political center, politics in the periphery is more expressive. The ultimate question, however, remains the question of income distribution. Is development aggravating the landowner-peasant relationships?

From the beginning of Sadat's rule, Egypt's foreign

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Louis J. Cantori is coauthor of *The International Politics of Regions* (Englewood, N.J.: Prentice-Hall, 1970), the editor of *Comparative Political Systems* (Boston: Holbrook, 1974) and the author of *Political Mobilization in Pre-Revolutionary Egypt: The Wafd Party 1918-24* (forthcoming). He has spent four years doing research and teaching in Egypt.

¹²Cairo Domestic Service, August 21, 1979, *FBIS*, August 22, 1979.

¹³The secretary-general is Fikri Makram Ubayd, who is a Coptic Christian and is related to the great pre-1952 Wafdist leader Makram Ubayd. Cairo Domestic Service, June 16, 1979, *FBIS*, June 21, 1979. Ubayd's prominence is perhaps also related symbolically to the effort to assuage Egyptian Coptic insecurities in the midst of Islamic revivalism. Cantori, *op. cit.*

¹⁴For Sadat's possible additional term, see *al-Akhbar*, July 18, 1979, quoted in *FBIS*, July 23, 1979. For the reference to subsidies, see *Middle East Economic Digest*, September 14, 1979, p. 28.

¹⁵For a negative evaluation in early 1978, see Alvin Rubinstein, "Egypt's Search for Stability," *Current History*, January, 1979, p. 19. For a more recent positive evaluation, see Ibrahim Oweiss, "Some Positive Aspects of the Egyptian Economy," *Center for Contemporary Arab Studies Reports*, Georgetown University, October, 1978.

¹⁶This most recent somewhat negative economic appraisal is found in Alan Mackie, "Egypt's Economic Recovery May Be Shortlived," *Middle East Economic Digest*, October 12, 1979, pp. 6-8.

¹⁷Waterbury, *op. cit.*, p. 313 for a general comment.

BOOK REVIEWS

On The Middle East

THE DEPARTMENT OF STATE IN THE MIDDLE EAST 1919-1945. *By Phillip J. Baram.* (Philadelphia: University of Pennsylvania Press, 1979. 343 pages and index, \$20.00.)

This richly detailed study contributes greatly to our understanding of how key decision-makers in the United States Department of State perceived key events and personalities in the Middle East during the period from the end of World War I to the end of World War II. It sheds light on the strong economic influences and the attempts to undercut the British and French position in the area that shaped American policy.

The author notes that the department's specialists "assumed that the economic open door policy in particular would promote both stability and necessary change," and believed that independence for the Arab states "would promote the dissolution of the spheres of influence" of United States economic competitors, "albeit wartime allies, Britain and France." The scope of the study is broad. The study is essential reading for anyone interested in U.S. policy in the Middle East.

Alvin Z. Rubinstein
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MIDDLE EAST CONTEMPORARY SURVEY, Vol. II: 1977-1978. *Edited by Colin Legum and Haim Shaked.* (New York: Holmes and Meier Publishers, 1979. 830 pages and index, \$85.00.)

Developments in the Middle East are so complex and subject to such rapid change that even the specialist has difficulty in keeping key events in perspective. The great contribution of this valuable yearbook is to compile, organize and analyze political, economic and diplomatic data about every country in the area. The treatment of the Egyptian-Israeli negotiations from Anwar Sadat's journey to Jerusalem to the Camp David accords is especially detailed. The coverage of developments in the Arab world is the best that is available in a single work.

Despite the forbidding price tag, this volume is an indispensable reference work for any research institute or library interested in the Middle East.

A.Z.R.

MUSLIM NATIONAL COMMUNISM IN THE SOVIET UNION: A REVOLUTIONARY STRATEGY FOR THE COLONIAL WORLD. *By Alexandre A. Bennigsen and S. Enders Wimbush.* (Chicago: University of Chicago Press, 1979. 267

pages, appendix, bibliography, and index, \$20.00.)

The first half of this study presents an interpretive essay on Sultan Galiev, a Muslim national Communist, who split with Lenin in 1923 and died in a prison camp, probably in the early 1930's. His ideas may one day experience a revival among the Muslims of Soviet Central Asia; in this event the Kremlin would face the threat of serious internal unrest. The second part of the study, ten appendices, provides data about Galiev's writings and the Soviet Union's Muslim peoples.

A.Z.R.

THE MIDDLE EAST IN CHINA'S FOREIGN POLICY 1949-1977. *By Yitzhak Shichor.* (New York: Cambridge University Press, 1979. 268 pages, appendix, bibliography, and index, \$25.00.)

The marginal actor in the Middle East, the People's Republic of China, nonetheless has had a keen interest in the area. The value of this informative account of Peking's perceptions and policies lies in the collection and systematization of knowledge about China's activities. The study also makes clear the determinants that shaped China's policy and Beijing's appreciation of the strategic importance of the Middle East.

A.Z.R.

UNITED STATES/MIDDLE EAST DIPLOMATIC RELATIONS 1784-1978. *By Thomas A. Bryson.* (Metuchen, N.J.: Scarecrow Press, Inc., 1979. 205 pages and index, \$10.00.)

This is a useful annotated bibliography for use by the Middle East scholar.

O.E.S.

ARABIA: A JOURNEY THROUGH THE LABYRINTH. *By Jonathan Raban.* (New York: Simon and Schuster, 1979. 344 pages, \$11.95.)

Jonathan Raban has written an interesting account of his travels around the Arabian Peninsula, including a detailed description of the culture of the Arabian people.

O.E.S.

ARAB-ISRAELI MILITARY POLITICAL RELATIONS. *By John W. Amos II.* (New York: Pergamon Press, 1979. 382 pages, notes and references and index, \$32.50.)

The author has written a detailed study of the escalatory patterns that seem to have developed in Israeli-Arab military and political relations in recent years.

O.E.S.

SAUDI ARABIA. *By Fouad Al-Farsy.* (London: Stacey International, 1979. 220 pages, appendix, glossary, selected bibliography and index, \$17.50.) ■

THE PALESTINIANS: RETROSPECT AND PROSPECTS

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ness-raising already under way among Palestinians. The Palestine National Council (PNC), established as part of the PLO apparatus, became a politically significant and fairly representative assembly of the Palestinians throughout their far-flung diaspora. Ahmad Shukairy, the PLO's first leader, was at least an effective public speaker and organizer if not an authentic revolutionary; and the PLO's military wing, the Palestine Liberation Army (PLA) did develop into a trained, reasonably well-equipped conventional force of around 12,000 men, which later spawned its own guerrilla organization, the Popular Liberation Forces. The PLO also enjoyed member status in the Arab League, offering at least an opening for formal Palestinian action in regional and, later, international affairs. These were not negligible assets.

As regional tensions built toward a climax in the middle 1960's, dedicated Palestinians found their infant movement beset with problems, most of which derived from the essentially hostile attitude of the Arab "host" governments: Egypt, Jordan, Syria and Lebanon. The clandestine indigenous Palestinian organizations, like Fatah, were persuaded that Nasser would not allow their irregular forces to precipitate a general war for which the Arab states were ill prepared. The Hashemite regime in Jordan understandably looked askance even at a toothless "Palestine" Liberation Organization, because over half its own citizens were Palestinians; needless to say, Amman viewed the underground groups, especially those on the left, as potentially dangerous. Syria could not be trusted because of her chronic instability: during the 1958-1961 union with Egypt in the United Arab Republic, Syria's Nasser-dominated security services cracked down on Palestinian political activity, and in the conservative regime that followed the breakup of the UAR the situation was no better. It was only after the Ba'th party finally succeeded in seizing power in Damascus in 1963 that matters began to improve, for the Ba'th was a pan-Arab party deeply sympathetic to the recovery of Palestine. After February, 1966, when a radical military faction of the Ba'th took over in an intra-party coup, Syria greatly stepped up her assistance to Fatah and allowed it to carry out missions across her border with Israel and through Lebanon and Jordan into Israel. The escalation of such guerrilla activities was a major factor leading to the 1967 Arab-Israeli war. As for Lebanon, the military Deuxieme Bureau did all it could to suppress Fatah's activities from their very beginning in 1965, for fear of Israeli retaliation and domestic

political repercussions. In hindsight, it is clear that Lebanese apprehensions were justified on both counts.

While all these Arab governments reiterated their public support for the Palestine cause, they feared the potential popularity of an active Palestinian resistance movement. Unwilling to accept the risks of such revolutionary activism and yet unable to abandon the Palestinian cause and come to terms with Israel, for the most part the Arab states temporized, trapped in their hypocrisy. Thus, when Israel brought Egypt, Syria and Jordan to their knees in a mere six days, the guerrilla organizations assumed a major role.

They rushed into the vacuum by stepping up their operations inside Israel and the newly occupied territories. When the Israelis launched a massive retaliation at Palestinian and Jordanian positions at Karamah, just east of the Jordan river, on March 21, 1968, the guerrillas defended themselves well. Although vastly outnumbered, they destroyed several Israeli tanks and armored cars and killed at least 21 Israeli soldiers (by Israeli count) and possibly many more. The political benefits were far greater. Recruitment and popularity soared. Operations against Israel rose from 12 per month in 1967 to 279 per month during the first eight months of 1970—until "Black September."¹⁴ The security threat to Israel from these operations—many of which failed—was negligible. But the psychological strain on the Israelis was evident, and the worldwide attention that the Palestinians were drawing to their long-ignored political claims was considerable. Reflecting the growing weight of the fedayeen organizations, Fatah and other guerrilla groups won control of the PLO in February, 1969; and Fatah continues to dominate it a decade later.

The rapid fluctuation of Palestinian fortunes during the past ten years is fresh in mind. But, it may be useful to identify the five principal problems of the resistance movement: effective mobilization of the ordinary people; strengthening linkages with the Palestinians in Israel and the occupied territories; management of ideological differences and group factionalism; maintenance of sufficient independence from and, at the same time, cooperation with key Arab governments; and policy formation that takes account of Israel and great power realities without abandonment of vital Palestinian interests. Despite the precariousness of the Palestinian situation—indeed, to some, its hopelessness—the PLO made considerable advances in all five problem areas during the 1970's; but much remains to be done.

MOBILIZATION OF THE PEOPLE

There are probably few people in the world facing greater "natural" obstacles to political integration

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¹⁴Hirst, *op. cit.*, p. 296, citing Fatah sources.

THE UNITED STATES ROLE IN THE MIDDLE EAST

(Continued from page 4)

an important premise of United States petroleum policy—that the interests of the conservative producing countries and the industrialized capitalist countries coincide to a very large extent on essentials. Here, the term essentials refers especially to the international monetary system, the structure of international trade, the freedom of international movement of capital, and the protection of expatriate investments, in short, the world system of international exchange, if not the international division of labor. Moreover, American policy is premised on the assumption that our role in the maintenance of the international economic system is more than that of a mere participant. We see ourselves as primarily responsible for constructing the system, administering the system, adjusting the system and defending the system. It is, therefore, hard for Americans to believe that our friends and dependents might pursue policies that might lead to a fundamental weakening of our economic situation and thus diminish our capacity to play our role in the world economic system effectively.

Yet OPEC production is not likely to increase, but rather to decrease, and the price will surely rise rapidly in dollars and undoubtedly in gold or equivalent as well. Until alternative sources of useable energy are available in sufficient quantity, neither threats nor blandishments are likely to influence the petroleum policies of the Gulf producers. Moreover, if the interests of the great capitalist powers and the conservative Muslim oil producers coincide, that coincidence is not restricted to a given price level. The issue is rather whether certain price and supply conditions are so unacceptable to the West that the United States and others would be willing to use force in the Gulf to bring about more acceptable conditions.

The use of force in the Gulf risks Soviet intervention and the shutting down of production altogether for an indefinite period of time. Obviously, the United States would run such a risk only if there were a reasonable chance that it would succeed in producing more favorable conditions of supply and only if the alternative situation were virtually intolerable. Nevertheless, from time to time the United States government has issued alarming statements suggesting under what conditions it might well resort to military force in the Gulf. These conditions are usually stated in a deliberately ambiguous way, in the sense that the cause of the unacceptable conditions is not identified. This ambiguity has allowed us to threaten Arabs and Iranians who might block the flow of oil while seemingly warning off the Soviets and apparently extending a protective wing over the Gulf states. There is, however, no doubt that United States policy in the

Middle East has shifted its emphasis from dealing with the Soviet Union to protecting its oil supplies, and with that shift there has grown a concomitant willingness to use military force in situations that do not necessarily involve the Soviet Union directly or initially.

Further, there is little doubt that petroleum supply problems will continue to produce severe domestic political problems for any American government in the foreseeable future. This would have been the case even if we had geared up for the crisis starting in 1974 or if we had evolved a comprehensive energy policy during the first two years of the Carter administration. In the absence of a clear strategy to cope with the new energy situation, there will be some inclination to depend on short-term palliatives and on strategies based on ideological rather than market-structure understanding of the problem. The Saudi attempts to shift the "blame" for recent price rises to "greedy" radicals and to suggest that Saudi Arabia might act unilaterally to alleviate America's energy and inflation problem in return for political concessions have little credibility for Americans, but as the energy shortage spreads, more and more people will grasp at implausible alternatives.

One of those alternatives is an Israeli military threat to force the Gulf states to hold the price line and to keep up production. While Israeli military force is a factor of considerable significance in the general Middle Eastern arena, its most efficient application is unlikely to be direct deployment in the Gulf. Indirectly, however, Israeli force can be used to intensify the contradictions between the political orientations of the radical, pan-Arab, or pro-Soviet regimes and the conservative Islamic or neo-traditional states. While this tactic may frighten the traditional and conservative elites, it is likely to frighten Americans as well.

Even if it were possible to resolve the petroleum crisis by abandoning Israel to her fate, other considerations that have motivated the remarkably steadfast American support of Israel might still keep United States policy on its present course. It is true that many responsible foreign policy observers believe that an altered policy toward Israel might not make matters better but surely would not make matters worse. These observers fear that Arab sanctions like an oil embargo or a punitive price rise might result from an ideological commitment or as a consequence of the dialectic of inter-Arab politics, in spite of American hints that such actions might bring an extreme response.

On the other hand, the United States could not acquiesce in the demands of even the conservative Arab states as the result of an implied threat without suffering grave damage to its own definition of the American role in international affairs. This is not to

say that the United States must comply with every Israeli request in order to prove its independence. Such a policy would, of course, merely prove the opposite. Thus, the United States must define how it would act under circumstances in which it was subjected neither to Arab pressure nor to Israeli pressure. Such a counterfactual situation is, however, not merely imaginary; it is hallucinatory.

Hence the norm of a pressureless situation is meaningless as a way to determine policy. Instead we can establish criteria. First, we must safeguard vital American interests. Second, we must minimize open-ended American commitments, military, economic and moral. Third, we must seek a fair, viable and, if possible, self-administering solution.

Ideologically, the American position holds that moral issues defy easy resolution. As a consequence, the Arab-Israeli problem can be dealt with only by means of compromise or (less likely) by changing the situation as it has been defined by the protagonists.

Although the Carter administration started with the idea of pressing for comprehensive compromises, it has gradually changed its position to one of intimate involvement in the "peace process," a dynamic change that is, in part, an indirect acknowledgment of the incompleteness of the Camp David accords. In semantic terms, the peace process suggests the unfolding of elements inherent in the original accords rather than a series of harsh confrontations and tough bargaining sessions.

INCREASING INVOLVEMENT

In the course of our gradual involvement in this process, we have all but erased the original guidelines that were meant to restrain and restrict American involvement. As our vital interests have shifted from balancing Soviet power to guaranteeing adequate oil supplies, the devices by which these interests may be safeguarded have become less clear-cut. There is no question that our vulnerability has increased as our leverage has decreased.

Despite the continuous recognition of the need to limit American commitments we find ourselves more deeply committed in more dubious ways to more Middle Eastern governments than ever before. The need to limit American commitments is not an expression of amoral self-interest, or at least not only that. The role of mediator requires a certain detachment. Nevertheless, the United States has become deeply entangled with Israel, Egypt and Saudi Arabia. Should Hussein join the peace process, Jordan will be added to the list, and if the most recent American initiative in Lebanon is followed up, then that country will also require extensive American guarantees. True, we have cooperated with all these countries in the past; but from the moment we became involved in the peace process as a "full

partner," as Sadat put it, we were committed to the support of particular leaderships and particular policies and we have had to abstain from acting in a way that might embarrass or irritate these leaders.

Finally, whatever solutions are likely to be provided in the Egyptian-Israeli settlement, in the Palestinian dispute, and in the multi-sided Lebanese conflict, they will not be self-administering. There will apparently be an increasing American role in treaty supervision, in military inspection, in economic assistance, in mediation, and in maintaining continuity in the various processes of conflict resolution.

Hence, those very achievements to which we point with the dubious pride of authorship have led us to a narrow overcommitment in which our vital interests have not been guaranteed, nor our commitments limited, nor a comprehensive, fair and self-administered solution achieved. Instead, we find ourselves nagging the Israelis about West Bank settlements and Lebanese alarms and excursions; we send increased amounts of military and economic aid to Egypt while offering sympathetic consolations; and we have reconciled ourselves to the fact that we may buy Saudi acquiescence in the Camp David process through recognition of the PLO. This latter concession, unfortunately, will not assure us of fixed oil prices, and may well spell the end of Egyptian and Israeli cooperation with ourselves and with one another. ■

TURKEY MOVES INTO THE 1980'S

(Continued from page 8)

and could never challenge Ankara's authority even were they of a mind to do so.

Like the Islamic problem, the Kurdish problem is not crucial for Turkey but bears close watching. Turkish authorities apparently believe that among the 5 million Kurds of Turkey separatism is a minority position. They also count on the continuation of the historic pattern; links between the Kurds of Iran and those of Turkey have never been close. And finally, of course, the government seems convinced that it could bring overwhelming force to bear on a Kurdish rebellion should it occur.

The event in Iran that had the greatest immediate repercussion in Turkey was Ayatollah Khomeini's closing of the American electronic ground stations in Iran. These had been highly useful to monitor missile tests from the Tyuratam launch site in Kazakhstan, about 800 miles inside the U.S.S.R. It is the prevailing view in Washington that, in order to verify Soviet compliance with the missile modernization provisions of the Strategic Arms Limitation Agreement (SALT II), United States intelligence must be able to obtain, from close-range listening posts, data concerning missile launches at Tyuratam. With the Iran stations closed, the United States had to fall back on similar

stations in Turkey and proposed U-2 spy plane flights launched from Turkish airfields.

Ironically, this United States need came at what is probably the lowest point of Turkish-American relations in a generation. Throughout the 1950's and 1960's the Turkish government would have doubtless given enthusiastic assent to this American proposal. In 1979, the Turkish government said it would grant the United States permission to make U-2 flights along the Turkish-Russian border only if the U.S.S.R. raised no objection. During the Vienna meeting between Soviet President Leonid Brezhnev and President Jimmy Carter in the summer of 1979, this subject was raised. Brezhnev did not entirely reject the United States proposals, so there was brief optimism in Washington that U-2 flights from Turkey might well take place. Brezhnev obviously fully understood that United States Senate ratification of SALT II may depend in part upon the Senate's confidence in verification, so thus far the U.S.S.R. has raised no public objections. But the situation dragged on so inconclusively that in late September, 1979, the United States announced that it had discarded its plans for U-2 flights over Turkey.

The entire issue dramatized the increased importance of United States-Turkish relations in the aftermath of the overthrow of the Shah in Iran. It also illustrated the heavy price the United States has paid and continues to pay, for the massive American policy failure in the eastern Mediterranean. Consequently, as Turkey faces the 1980's, she must try to solve her serious internal problems; at the same time she must learn how to cope with foreign affairs in the face of a near-collapse of friendly relations with the United States. ■

REVOLUTIONARY IRAN

(Continued from page 16)

Their great mentor was Ayatollah Mahmud Taleqani, a towering figure in the religiopolitical movement. Taleqani supported Mossadeq and since Mossadeq's overthrow was associated with both the Freedom Front and the religious scholars. He was tolerant, charitable, as political as Khomeini is apolitical, and second only to Khomeini in popular affection. His untimely death removed the one real bridge between Khomeini supporters and a wide variety of groups with much narrower public support but with significant elite support. The Mojahedin e Khalq are particularly attractive to university students; with Taleqani's death, much of the student population is likely to move into an anti-Khomeini camp—either secular or religious.

Another important religious-based group that is independent of Khomeini's influence is the Muslim Peoples Republican party. That "party," like others

in revolutionary Iran, is still in the process of crystallizing. But its mentor is the extraordinarily respected Ayatollah Kazem Shariatmaderi, whose scholarly credentials place him on a level of at least equality with Khomeini. For a party with national aspirations, the party is overly dependent on the people of the Turkish-speaking northwestern area of Azerbaijan. However, as long as Shariatmaderi's sanction remains strong, the party is likely to endure and to serve as the most important religiopolitical counter to Khomeini and his supporters.

The party that appears to have Ayatollah Khomeini's direct sanction is the Islamic Republic party, headed by Seyed Mohammad Beheshti. Associated with this party is Ayatollah Hossein Ali Montazeri, whom some consider Khomeini's most likely successor. In elections for the Council of Experts, established to supervise the final drafting of a constitution, this party was overwhelmingly victorious. Initially Beheshti, Montazeri and Bazergan were close allies. But in September, 1979, Beheshti and other party leaders began to call for Bazergan's replacement. Since the Islamic Republic party is sanctioned by Khomeini, its survival, even more than Bazergan's, is dependent on Khomeini's support.

A THEOCRATIC EXTREME

Recent events in Iran and the trend in Khomeini's own statements suggest that the battle for access to Khomeini is being won by elements that represent the theocratic extreme among religious leaders. Ayatollah Sadeq Khalkhali can be viewed as representative of this element—a man increasingly regarded by secular Iranians as Shii Islam's answer to the grand inquisitor. In the election for the Council of Experts, Khalkhali was badly defeated and without Khomeini's direct support he might well be reduced to representing a marginal extreme among Islamic leaders. But it was Khalkhali whom Khomeini sent to Kurdistan to deal with the Kurdish rebellion.

Symbolic of the trend is the saga of the Iranian constitution. As it emerged in draft form, the constitution was fully in accord with Western democratic principles. It embraced a strongly explicated separation of powers, including an independent judiciary. The American model was obviously influential in this drafting. It incorporated a strong presidential system in the French model, with a Prime Minister and a Cabinet. Full rights for women and religious minorities and autonomy for ethnic minorities were provided as were other basic freedoms. Shii Islam was the official religion and the constitution carried a strong religious veneer—sufficient to raise the ire of secularists. But the direct role of religious leaders was of limited importance and independence.

As the constitution began to emerge from the Council of Experts it was transformed. The role for

Khomeini as the "vice regency of the chief theologian" is virtually as broad as the incumbent chooses to make it. The defense against dictatorship lies in the chief theologian's own sense of restraint. The draft constitution is indeed close to a theocratic blueprint. Since the original drafters were apparently close to the Freedom Front and the Islamic Republic party and since the latter overwhelmingly dominates the Council of Experts, members of the council have undoubtedly altered their views and are reflecting Khomeini's attitudes.

Another manifestation of this trend was the forced resignation of Hassan Nazih as director of the National Iranian Oil Company. Nazih, a close associate of Bazergan's and the revolutionary religious leadership, stood against the royal dictatorship with great courage and dignity. After the revolution, he opposed every effort of the revolutionary religious leaders to assert their control over the Iranian technocrats whose role in the production of oil is irreplaceable. He did so publicly and eloquently. Without question, he became one of the most respected political leaders in Iran among non-Marxist intellectuals. His mass appeal, however, was largely confined to those who had turned against Khomeini, which meant primarily the technocracy and the middle middle and upper middle classes. Since a significant section of this group is now living abroad—Iran's exile community more and more resembles Cuba's—Nazih can be expected to gain much support there. Internally, his resignation further weakened Bazergan's attractiveness to his own most natural base of support.

A THEOCRATIC STATE

Iran is plainly moving in the direction of institutionalizing the participation of the mojtahedin and of the chief theologian—represented today by Khomeini—in the affairs of government to such a degree that the term theocratic state is descriptive. This trend is a reflection of Khomeini's own thinking, which in turn reflects the influence of theocratically radical elements. And as long as Khomeini's enormous appeal to the lower middle class and lower class Iranians persists, Khomeini can give definition to the direction in which the revolution flows.

But there are many individuals and groups, including much of the former Bazergan government and highly respected members of the mojtahedin, who continue to have access to Khomeini and who would like to reverse or sharply alter current trends. Given the lack of concreteness of Khomeini's thinking and his inconsistency, their ability to effect an alteration is not out of the question. If the current trend persists, however, the polarization of Iranian society will continue to deepen. That will necessitate a steady move toward an already advancing authoritarian control and, most important, the development of a strong

internal security force to protect the Khomeini regime.

Neither Khomeini nor his religious associates are capable of exercising dictatorial control directly. Yet dictatorial control must be exercised if the minorities, the left, the Mojahedin e Khalq and, increasingly, the middle class center are to be restrained. The question is less whether Iran will gain a dictator but where that individual will come from.

Khomeini returned to Iran to one of the most tumultuously adoring welcomes any human being has ever received. His strength was so profound that he could have acted with benevolent generosity toward any opponent—from the Shah's sycophancy to the secular left. But this was not to be. The entire world watched Khomeini's Islamic ideology take form. What they witnessed was a moral absolutism narrowly and often brutally expressed. In following that path, Khomeini cast aside former supporters with reckless abandon.

The great mobs that crossed the television screen in November, 1979, probably reflected majority opinion in Iran. Most Iranians are angry at the United States for having imposed the Shah's dictatorship on Iran.

But among the politically most attentive in Iran, Khomeini's initial attraction is rapidly eroding, and many Iranians despise both Khomeini and the Shah. Khomeini's mass support comes from that part of the population least capable of sustained political interest and most likely suddenly to shift affection in the face of prolonged adversity. An anti-American crusade can excite deep emotions. But what can Khomeini do for an encore?

SAUDI ARABIA: OUR CONSERVATIVE MUSLIM ALLY

(Continued from page 21)

1,000 cluster bombs and 60 F-15 fighters.¹⁰

To meet potential attacks, the government is building a series of military cities, each with a population of 50,000 to 100,000 (including dependents), in the most exposed parts of the country. King Khalid City, south of the Iraqi border, Tabuk, near the Jordanian border, and Khamis-Mushayt, near the border with the YAR are under construction, and completion may be accelerated if the Iranian and Yemeni threats intensify. Several other cities as well as an arms manufacturing center are planned.

The military cities appear to be an extension of Abd al-Aziz's *ikhwan* encampments. The most important element in Abd al-Aziz's success was the formation of the *ikhwan*, a band of fierce bedouin warriors dedicated to the spread of Wahhabi doctrine. Beginning in 1912, Abd al-Aziz settled these soldiers in strategic

¹⁰The New York Times, September 30, 1979.

encampments. They were his shock troops, ready to mount a raid or fight a battle at a moment's notice.

Despite the large expenditures and a carefully designed program to absorb the new weaponry into its units, it is unlikely that the armed forces could successfully resist a sustained attack from either Iran or Iraq, because of a lack of skilled technicians. Nevertheless, the armed forces have some deterrent value. The common soldier is courageous and willing to fight and would resist fiercely until the lack of technical expertise deprived him of the support needed to maintain the modern weapons systems. There can be no doubt that the Saudi armed forces could successfully resist an attack from Yemen as long as it is not supported by Cuban mercenaries.

V

The most important causes of intra-Arab rivalry and instability are religious, ethnic and ideological. Before World War I, the millet system* defused animosities and irredentism between the major religions, but it did not reduce or prevent tensions among the Muslim sects or ethnic friction. The division of Greater Syria and the surrounding areas into four national states after the war eliminated the millet system. Because little attention had been paid to ethnic and religious differences in the drawing of the boundaries of the newly created states, their domestic tranquility was undermined by ethnic and religious rivalries. Following World War II, the struggle for control of the governments sharpened, and the armed forces became the means to power. In Syria and Iraq, coup followed coup. Each new government promised change and improvement, but because they could not hold power long enough little was accomplished.

Saudi Arabia does not face these problems. Its population is religiously and ethnically homogeneous. Abd al-Aziz's greatest achievement was the creation of an attitude that turned the tribes from petty local concerns to the support of a state. He united the tribes, eliminated all major contenders for leadership in the region and substituted loyalty to himself and the monarchy for loyalty to narrow tribal concerns. Finally, his treatment of defeated opponents and the alliances he forged with the *ulama* (religious leaders) and the most important tribal families created a system for the peaceful and orderly transfer of power. In the Middle East (and in most third world countries), that is a significant achievement. Since 1953, the power to rule has been transferred three times. Twice this occurred under crisis conditions; yet each time it was accomplished quickly, smoothly, quietly, without bloodshed or major purges. Indeed, the

monarchy is still popular today, partly because it provides domestic stability.

The monarchy rests on three pillars: the alliance of the house of Saud with the important families of the major tribes; control of the Arabian American Oil Company (Aramco) through the Supreme Advisory Council for Petroleum and Minerals; and religion. No single alternative power base is strong enough to challenge the ruling oligarchy. The armed forces are divided into two distinct groups, each commanded by a senior member of the royal family. The National Guard (militia), commanded by Prince Abdullah Ibn Abdul Aziz, is recruited from among the nomadic tribes and is organized along tribal lines. The army (including the air force and navy), under the overall command of Prince Sultan Ibn Abdul Aziz, draws its recruits primarily from the settled and urban populations. The army and the National Guard have different missions, separate administrative structures and chains of command and are rarely, if ever, in close contact. Separately, neither is strong enough to become the base for a successful coup d'état. Although the National Guard is said to be numerically smaller than the army, they neutralize each other.

Paradoxically, the rapid pace and the direction of the economic development effort threaten the country's internal cohesion. The most significant constraint on further economic development is a severe shortage of skilled manpower, intensified by the reluctance of many Saudi workers to take employment in occupations considered socially demeaning. The solution has been to import expatriate workers from nearly every non-socialist country. Estimates vary, but it is likely that there are at least 2,000,000 expatriates (including dependents) in the kingdom. This means that one out of every three persons in Saudi Arabia is a foreigner.

The many foreigners threaten Saudi society. Although most of these workers and their dependents are Muslims, their presence is bound to change Saudi social and cultural values and to introduce divisive forces into the country. Saudi society is still firmly rooted in the Wahhabi tradition, which rejects many modern practices adopted by the rest of the Islamic world. The example of their more liberal co-religionists in their midst has already led to a weakening of religious practices, demands for public movie theaters, more freedom for women, and so on. Yet except for possible saboteurs infiltrated by radical groups, the expatriate labor force does not pose a threat to domestic security. The authorities are in complete control.

However, the substitution of expatriates for native Saudis in socially undesirable jobs retards the integration of the Saudi labor force into the modern sector of the economy. It extends the time and cost of dependence on outsiders and delays the development of the

*A body of co-religionists organized under a religious head who also exercised civil functions of importance.

social and cultural traits necessary to maintain a modern economic and industrial base. This is the reason for the slow emancipation of women and their integration into the labor force. The high social and economic costs and the possible adverse effects of expatriate labor on the social structure have been recognized by many Saudi leaders; but they firmly believe that they can control the danger and that the risks are worth taking.¹¹ They believe that the objections are raised primarily by outsiders who underestimate the strength of orthodox Islam and the resilience of Saudi culture.

Finally, there is an often repeated question: "Will the events in Iran be repeated in Saudi Arabia?" There is no definitive answer. It is unlikely that there will be any major disturbance in the near future. The kingdom does not have the ethnic and religious diversity that has been the root of domestic problems in many Middle East countries. It is possible, however, that accelerated economic development and the use of expatriate labor will introduce divisive factors into Saudi society that will undermine social cohesion and lead to a weakening of the government, opening the doors to radical Arab elements.

This would make little difference in the Arab-Israeli dispute, because Saudi Arabia has always been a strong supporter of Palestinian demands. It would, however, strengthen the radical elements of OPEC, leading invariably to higher oil prices and more active use of "oil power" in gaining Arab objectives. ■

¹¹For a statement of this problem see Fouad al-Farsy, *op. cit.*, pp. 75-87.

ISRAEL: THE IMPACT OF THE PEACE TREATY

(Continued from page 11)

dwindling of the coalition's parliamentary majority; several other potential secessions had to be reckoned with.

Begin's party came to power after almost 30 years in opposition (almost twice that many years if the history of the Revisionist Movement is taken into account). Its lengthy stay in opposition and internal conflicts within the Herut Movement left it with a very thin front line of leadership. Nor did its major partner, the Liberal party, possess a cadre of business leaders and professionals who could be placed in top-level political and bureaucratic positions and could endow the new government with prestige and competence. Thus Begin lured Moshe Dayan from the Labor party primarily because his own Alignment could not offer an effective candidate for the foreign ministry.

Nor did Begin prove to be an authoritative figure, despite his traditional image of a powerful, authoritative politician, who (even his most bitter opponents conceded) would probably restore order and dis-

cipline to the Israeli Cabinet. Begin's personality may not have been so authoritarian as his image in the first place; in any event, he was seriously limited by his political weakness and even more so by the deterioration of his health. Later, two other important Cabinet members, Moshe Dayan and the Deputy Premier, Yigael Yadin, were afflicted with health problems which affected their personal careers and the standing of the Cabinet.

Most of these problems were exacerbated and some new ones were added by the lengthy treaty negotiations with Egypt and the United States. The concessions made by a Prime Minister chosen on a hawkish platform split his own party and narrowed his basis of support. Several ultra-nationalist members of the Knesset left (or planned to leave) the Likud Alignment, thus casting a serious doubt on the government's parliamentary majority.

Still more serious were the political divisions brought about by the opening of the negotiations with regard to the autonomy of the West Bank and Gaza. The Begin government took measures designed to perpetuate at least a measure of Israeli control over the West Bank and Gaza and to prevent the establishment of a Palestinian state in those areas. These measures split the Israeli Cabinet (and public opinion) and led in October, 1979, to the resignation of Moshe Dayan. Shortly thereafter, the Israeli Supreme Court ordered the government to dismantle the settlement of Elon Moreh, refuting the government's claim that the private lands on which it was built had been expropriated primarily for security purposes. Thus Begin had to choose between the supremacy of the law (in which he believes) and an inevitable clash with the firebrands of Gush Emunim (The Bloc of the Faithful) and their supporters in his Cabinet. By October, the issue of Israeli settlements in the West Bank became a cardinal issue of Israeli domestic politics.

Under the circumstances, Begin has tended to avoid other controversial and painful domestic and economic decisions, even when these were urgently needed. The preoccupation of the Prime Minister and several key members of his Cabinet with external affairs has contributed to the Cabinet's failure to address the grave economic situation. This is an ironic turn of events for a party that won the elections of May, 1977, primarily against a backdrop of domestic issues. Within the victorious Likud Alignment there was a division of labor: Begin was primarily interested in foreign affairs, while the economy was entrusted to the Liberal party. The latter made an apparently auspicious beginning, and in December, 1977, the Liberals introduced a new economic policy, liberalized the foreign currency regulations, and sought to change the ideological underpinnings of the Israeli economy. But several months later it was clear that the "economic about-turn" had failed and that the economic

situation was out of hand: there was an annual inflation rate of close to 100 percent, a shrinking foreign currency reserve, and an alarmingly negative trade balance. Some economic ills can be attributed to uncontrollable external factors (global inflation, the rising price of oil, the regional arms race), but there was little doubt inside and outside the Cabinet that faulty economic leadership was at least partly to blame. By the summer of 1979, it was generally agreed that Simcha Erlich, the Minister of Finance, had to be replaced. But Erlich is the leader of the Liberal party, and he could not be forced out without toppling the government. When Moshe Dayan resigned in October, a Cabinet reshuffle was possible.

During the past few years, several Israeli certainties and underlying assumptions have been shaken. The trauma of 1973, the domestic volte face of 1977, and the opening of a direct dialogue with Egypt came in rapid succession. The national consensus on foreign and defense matters broke down, a crisis of leadership prevails, and the new relationship with Egypt—the key to a potentially new position—is at best ambivalent. Israel's confusion and uncertainty are reinforced by international trends, particularly by growing international support for Palestinian demands that most Israelis view as threatening the very foundations of their state. Many of these factors are beyond any government's control, particularly the control of a small nation. But a leadership that would inspire confidence and restore a sense of direction is what Israelis seem to desire most. ■

EGYPT AT PEACE

(Continued from page 29)

policy has been concerned with the primacy of Egyptian as opposed to Arab or even Palestinian interests. Viewed from this perspective, Egyptian foreign policy has had a large measure of success. Beginning with Sinai I (1974) and Sinai II (1975), Sadat initiated the process by which Egypt was to regain Sinai and large commitments of foreign economic assistance. The breaking of the momentum after Sinai II because of the Syrian refusal to go along and Israeli inflexibility led to Sadat's dramatic November, 1977, Jerusalem visit and to his effort to make a major psychological breakthrough. The ultimate success of this effort, after the September, 1978, Camp David meeting, was the peace treaty of March 26, 1979.

BENEFITS OF PEACE

By the end of November, 1979, Egypt had regained over half of the Sinai, and by April, 1982, she would have all of it. The achievement of this aim was intimately bound up with economic betterment. The 1974 Sinai I agreement led directly to the reopening of the Suez Canal in June, 1975; the 1975 Sinai II led to

the regaining of the Abu Rudeis oil fields; and the March, 1979, peace treaty led to the regaining of the al-Tur oil fields. The hard currency revenues from the Suez Canal (\$6 billion in 1979) and these oil fields (\$1.0 billion in 1979) were considerable, with the oil field income projected at \$1.5 billion for 1982.

These economic payoffs of the Egyptian peace effort do not include the foreign assistance received or promised from the United States. Since 1975, United States economic aid to Egypt has been running at nearly \$1 billion annually and with the signing of the 1979 treaty the figure is about \$1.2 billion. In addition, the United States has committed itself to a long-term \$1.5-billion arms sale agreement as Egypt gradually shifts her weapons systems from Soviet to American and Western European systems.

Sadat's vision, courage and decisiveness have reaped significant territorial and economic benefits for Egypt. What eludes Sadat, however, is reentry into the Arab state system. The Rejection Front (Syria, Iraq, Libya, Algeria and Yemen) met December 2, 1977, in Tripoli, Libya, and excluded Sadat, and on March 31, 1979, Egypt was almost completely isolated by the Arab states, when the Rejectionist group was joined by virtually all remaining Arab states meeting in Baghdad, Iraq. All 19 severed diplomatic relations (only Sudan and Oman boycotted the meeting), called for the removal of the Arab League headquarters to Tunis, and demanded an economic boycott. Egypt's isolation in the Arab world is painful and causes intense domestic strains. Thus the code words of Sadat's increasingly strident attacks upon his Arab opponents ("dwarf" Qaddafi of Libya), "Alawite Ba'th" (i.e., by implication, the religious minority status of the Syrian leadership), and "Takriti Ba'th" (i.e., the small, "hicktown" Ba'thist leadership of Iraq) must eventually be supplanted by progress on the issues of the West Bank and Jerusalem.

The search for peace eventually returns to the root cause of the Middle East conflict—justice for the Palestinians. On this issue, the Egyptian and the American negotiators on the future of the West Bank tend to agree on the necessity for substantial Palestinian autonomy, if not independence. The Israelis, on the other hand, are bedeviled by their inability to separate objective security concerns from a messianic expansionist policy in the occupied areas. In the year of an American presidential election, the way out of this impasse is not clear. Viewed from Cairo, however, a solution must be found; Egypt's concern for the future of the Palestinians must lead to some compromise. If no solution is found, the continued diplomatic isolation of Egypt in the Arab world will add to the domestic pressures on Sadat from the political left and the religious right and will threaten the very stability of the regime. ■

THE PALESTINIANS: RETROSPECT AND PROSPECTS

(Continued from page 31)

than the Palestinians. Geographical dispersion, indicated in Table 1, is only the most obvious. The social divisions created or exacerbated by expulsion are another. The traditional, notable-dominated, social structure of Palestine was disrupted but not destroyed by the *nakba*. While the maintenance of strong familial, regional and sectarian ties has helped preserve the community, it has also created many generational, class and sex-role problems. One of the chief issues in the ongoing struggle between the pluralists and centrists of Fatah and the stricter left-wing ideologues of the PFLP and other groups is the PFLP accusation that the centrists have neglected the masses in the struggle. They charge that political education, community involvement and general mass mobilization have been given insufficient priority, while too much attention has been paid to directing the revolution along bourgeois, nationalist lines. There is some apprehension, particularly in the camps, that a Palestinian West Bank state would recreate the traditional elitist, authoritarian, conservative sociopolitical structures instead of allowing a more egalitarian, democratic, socialist form of development.¹⁵

But, in fact, great changes have already taken place, often under the pressure of external threats, as in Lebanon. Today the PLO is far more than a collection of guerrilla organizations. It is building a new social and economic infrastructure for the Palestinian community. In addition to the 179-member Palestine National Council, there are a number of other non-fighting popular organizations, of which the most important are the General Union of Palestinian Workers, the General Union of Palestinian Students, the General Union of Palestinian Women, and the Palestinian Red Crescent Society, a public health organization. An important economic institution is Samed, a conglomerate of manufacturing establishments that employs (among others) disabled Palestinian workers. Attached to the PLO is the Palestine Research Center, which conducts long-range planning and historical documentation projects; and another "think tank" and publishing organization, the Institute of Palestine Studies, is formally independent of the PLO but equally committed to harnessing Palestinian brainpower to the national cause.

The PLO also operates a pension and medical

disability program for the widows and dependents of fighters and for disabled fighters. In 1977, it was estimated that the PLO's annual budget was \$90 million. Substantial subsidies from several Arab governments, notably Saudi Arabia, Libya, Kuwait and Iraq, are supplemented by an income tax levied on Palestinian workers in several gulf states by the local governments. It has also been reported that the organization holds an investment portfolio of \$60 million to \$100 million.¹⁶ Despite the obstacles, since the days of the Arab Higher Committee the Palestinians have come a long way toward developing a national social, economic and educational infrastructure, as well as political and military capabilities.

Impressive as these accomplishments are, there are still serious weaknesses in the elite-mass relationships among the Palestinians. Sayigh reports, for example, that it is still difficult for Palestinian women to play a strong role in the movement, because of the deeply ingrained conservative attitudes of the largely male leadership. Bureaucratic inertia, red tape and inefficiency limit the actual extent of mass participation in several organizations. There has been a remarkable degree of trust in the PLO leadership on the part of most Palestinians over the years, particularly in Yasir Arafat himself. But there have also been morale problems stemming from at least two serious leadership deficiencies: the seemingly irresistible propensity to exaggerate the success of military actions, causing a real credibility problem, and the inability of the various guerrilla and ideological organizations to cooperate with one another more effectively, especially during serious crises. Unfortunately, the overload of problems from a hostile environment has hindered the Palestinians in dealing with these weaknesses.

LINKAGES WITH THE OCCUPIED TERRITORIES

About 40 percent of all Palestinians live in the West Bank, Gaza and pre-1967 Israel. A key question often asked in the search for an Arab-Israeli settlement is to what extent the PLO speaks for these Palestinians. For the PLO, so obviously limited in its access to this population, the question must be put differently: how can it strengthen its links to the people inside? This author's visit of several weeks to the occupied territories in the summer of 1979 yielded the following impressions, based upon an admittedly unscientific sampling from some 25 extended conversations with educators, lawyers and students. No one (either on or off the record) indicated that the PLO is not the sole authentic spokesman for the Palestinian people. Another interesting but little-studied development is the extent to which the 500,000 Israeli Arabs now identify with the PLO. This would have enormous significance if a West Bank Palestine state were established.

But there was also criticism of some of the PLO's activities, including outspoken criticism of acts of

¹⁵See Sayigh's treatment of this question, *op. cit.*, pp. 177-83.

¹⁶*Time* magazine, July 18, 1977, p. 34.

terror against Jewish (or Arab) civilians; some West Bank Palestinians see these acts as evidence of PLO incompetence. This does not mean that they are opposed to armed struggle, but rather that it should be targeted against Israeli military and economic targets. There was also some resentment that PLO funds are not reaching the occupied territories. Given the duration of the occupation and the comparatively affluent condition of the PLO, some Palestinians felt that the PLO should be having more of a financial and material impact. Similar criticisms are made by Palestinians outside the territories.

It is sometimes suggested by Israeli officials or the Western media that moderate alternatives to the PLO can be found or cultivated on the West Bank, but this is apparently wishful thinking. Such suggestions overlook the fact that West Bank and Gaza Arabs regard the Israeli occupation as highly oppressive, because of the ongoing building of settlements and because of the harshness of the military security measures, indicated by documented instances of torture, summary deportations, arbitrary detention and neighborhood punishment.¹⁷

The heavy hand of the Israeli occupation undoubtedly has been a major factor in strengthening PLO legitimacy in the territories. But problems remain, and to overcome them the PLO must either make progress toward a peaceful diplomatic settlement that takes into account vital Palestinian concerns about land, water, human rights, and political self-determination, or demonstrate its military capabilities by striking at Israeli military and economic targets.

POLITICAL FACTIONALISM

One of the most distinctive characteristics of Palestinian political development since the 1960's has been its pluralism. While Fatah has been the dominant organization and Arafat has been the principal leader, the difficult circumstances of the Palestinian community have required processes of consultation,

bargaining, and compromise among a variety of influential elements. On the whole, the various power centers have worked together sufficiently to survive and even to develop against difficult odds. But pluralism has frequently deteriorated into chaos that at times has been very costly, in terms of blood, material, morale and strategic objectives.

During the decade of the 1970's, incoherence and lack of discipline in the pursuit of overall objectives have hurt the resistance movement. One of the major examples is "Black September" 1970 in Jordan. In the months and weeks leading up to King Hussein's decision to confront the fedayeen with all the force of the Jordan army, some of the more radical guerrilla organizations, notably the PFLP, insisted on forcing a confrontation; its multiple hijacking of three airliners to Jordan precipitated the greatest defeat the resistance has ever suffered: its total expulsion from Jordan and the 1.5 million Palestinians there. Only now is the PLO beginning to recover its influence in Jordan. Whether or not the Hashemite regime was, as George Habash said at the time, fully as evil as Israel itself, the Palestinian cause might have been better served if the PLO leadership had kept the various groups under control. In Lebanon, too, the Palestinians might have mitigated their problems in the civil war if their parties and groups had maintained a low profile. This behavior has weakened Palestinian support from its Lebanese allies and has aroused enemies.

Too often arcane ideological disputes have exacerbated factionalism, and rivalry among groups for recruits, funds and publicity has needlessly contributed an atmosphere of chaos. While the extreme pluralism of the movement may keep it on an even keel and protect it from making ruinous decisions, the PLO may well be unable to make the hard but necessary choices that might yield—for the first time—some tangible results on the road to recovering Palestine. A decision on establishing a government in exile, for example, has been repeatedly deferred, apparently because of the internal frictions that such a move would engender. Proposals to amend the PLO National Charter to eliminate the clause calling for the elimination of Israel have been postponed for similar reasons.

RELATIONS WITH THE ARAB GOVERNMENTS

Al-Fatah and several other groups were founded in part because the new generation of Palestinians profoundly distrusted the Arab governments. Several of the first fedayeen martyrs in 1965 were killed not by Israelis but by Lebanese or Jordanian soldiers. The radical socialist ideology of the PFLP classified most Arab governments as the hostile tools of United States imperialism and local bourgeois landed capitalism. Countless uprooted Palestinians (especially in the refugee camps) could tell story after story of the

¹⁷On Israeli settlements in the territories see Ann Mosely Lesch, "Israeli Settlements in the Occupied Territories," *Journal of Palestine Studies*, vol. 7, no. 1 (Autumn, 1977), pp. 27-35; and *loc. cit.*, vol. 8, no. 1 (Autumn, 1978), pp. 100-19; Edward Cody, "Israeli Settlements: A Link to Jerusalem," *The Washington Post*, August 14, 1979; and Paul Quiring, "Israeli Settlements and Palestinian Rights," *Middle East International* (London), October, 1978. On deportations see Ann Mosely Lesch, "Israeli Deportation of Palestinians from the West Bank and Gaza Strip," *Journal of Palestine Studies*, vol. 8, no. 2 (Winter, 1979), pp. 101-31, and vol. 8, no. 3 (Spring, 1979), pp. 81-112. On torture and human rights violations see the *London Sunday Times*, June 19, 1977, and *The Washington Post*, February 7, 1979, and *The Christian Science Monitor*, April 4, 1979. On neighborhood punishment see Mohammed Milhem, "Israel Previews 'Autonomy' with Halhoul Curfew," *Merip Reports*, vol. 80 (September, 1979), pp. 22-24, and the *Birzeit University Bulletin*, March, 1979.

difficulties they experienced at the hands of the Lebanese, Syrian, Jordanian and Egyptian authorities.¹⁸ For their part, established governments, especially insecure governments like Lebanon's, saw in an unregulated Palestinian movement a threat to political stability and a challenge to the state's sovereignty. To Arab governments, support for the Palestine cause did not necessarily imply acceptance of a quasi-independent, armed guerrilla movement in their midst, particularly if it brought with it the threat of retaliatory Israeli military action.

In the first flush of guerrilla power, 1968-1970, many Palestinians, especially on the left, believed that they had a choice and an obligation to remain independent of the host governments. By the end of the 1970's, after a decade of brutal experience, it appeared that the resistance did not have much choice or independence; survival and successful action in the military and political fields depended on an at least tolerant attitude from at least some of the Arab governments. The lesson of the Jordanian Black September was that a scattered guerrilla movement could not defeat a government with a strong conventional army, even though the legitimacy of any specific regime had been weakened by the defeat of 1967 and even though more than half the population was Palestinian.

The Palestinians fought to a draw in the 1975-1976 Lebanese conflict, neither winning nor losing. But the net effect of the movement's involvement was virtually to eliminate southern Lebanon as a staging area for direct forays into Israel. At the same time, the Lebanese Christian rightists not only abandoned the Palestinian cause and called the Palestinians "foreigners" and "occupiers," they went further and colluded directly with Israel. One other result of the Lebanese entanglement was a growing acceptance by Palestinians of the idea of a small West Bank-Gaza state, an idea that was previously regarded as virtual treason.

Of all the Palestinian relations with Arab states, none has been more complex than the relationship with Syria. After the Ba'thists came to power, Syria actively nurtured Al-Fatah. Then, in 1968, the radical Ba'thist regime of General Salah Jadid decided that Syria needed her own Palestinian guerrilla group, and it created al-Sa'iqa. To this day, through all the ups and downs of the Syrian-Palestinian relationship, al-Sa'iqa remains the biggest and most important of the guerrilla groups obedient to Arab governments. The only other important group is the Arab Liberation Front, a small group backed by the Iraqi government.

Syria was also capable of opposing the Palestinians, despite the many common ideological and policy positions, when vital Syrian interests were involved.

Thus, Syria intervened in June, 1976, in the Lebanese civil war against its natural Palestinian and pan-Arab Lebanese allies. Fearing Israeli retaliation if the Palestinians and Lebanese leftists succeeded in defeating the right-wing Christian militias, Syria acted to roll back the Palestinian-Lebanese left. The Syrian leadership was also concerned about domestic repercussions if a more radical political force established itself in Lebanon, especially if it enjoyed the backing of rival Ba'thist Iraq. Subsequently, the largely Syrian troops of the Arab Peacekeeping Force in Lebanon turned against the right-wing militias, and Syria's relations with a chastened Palestinian resistance movement were restored. But the hot-and-cold nature of the Syrian connection exemplified the problems which even friendly Arab government supporters can present.

The Iranian revolution and the Egyptian-Israeli rapprochement in some ways eased the PLO's relations with the Arab world. Ayatollah Khomeini's regime has proved to be a warm supporter of the Palestinians, in sharp contrast to the government of the Shah. Egyptian President Anwar Sadat's initiatives toward Israel led the other Arab states, along with the PLO, to band together in opposition. In the process, the Iraqi government settled its sometimes violent quarrel with Al-Fatah over Fatah's excessive moderation and deference to Iraq's rivals in Damascus. But the reconciliation between Syria and Iraq that was precipitated by the Egyptian and Iranian changes was abruptly halted in July, 1979, when Iraqi leader Saddam Hussein uncovered what he regarded as a Syrian-supported plot against him; thus a recrudescence of Iraqi-Syrian hostility may once again complicate PLO-Arab state relations. At the same time Iraq's growing disenchantment with Iran's revolutionary government, despite its pro-Palestinian stance, promises once again to hinder the Iraqi-PLO relationship.

The PLO must continue to perform a delicate balancing act among the various Arab regimes. Too radical a stand risks alienating the substantial financial support provided by Saudi Arabia, Kuwait and the Gulf states; too much moderation complicates the connection with Iraq, Libya and Algeria. There appears to be a consensus among all the major Arab states (with the possible exceptions of Libya and South Yemen) that the PLO must curb its dreams and work through essentially peaceful means for the achievement of a small Palestinian state in the West Bank, East Jerusalem and Gaza. Nor will the PLO find much Arab state support for policies that threaten the political status quo in Lebanon or Jordan. Having failed to generate significant mass revolutionary fervor in the 1970's, the PLO faces the 1980's heavily dependent on the Arab governments. For their

(Continued on page 48)

¹⁸See Fawaz Turki, *The Disinherited: Journal of a Palestinian Exile* (New York: Monthly Review Press, 1972).

THE MONTH IN REVIEW

A Current History chronology covering the most important events of November, 1979, to provide a day-by-day summary of world affairs.

INTERNATIONAL

Arab League

Nov. 22—The Arab League concludes its summit conference in Tunis; 20 countries and the PLO have been represented. The league refuses to back Lebanon's plea for the withdrawal of PLO guerrillas from southern Lebanon, although it reaffirms Lebanon's sovereignty over the territory.

European Economic Community (EEC)

(See United Kingdom, Great Britain)

Iranian Crisis

(See also U.S., Foreign Policy)

Nov. 2—In Algiers, Iranian Prime Minister Mehdi Bazargan and Iranian Foreign Minister Ibrahim Yazdi meet with U.S. national security adviser Zbigniew Brzezinski.

Nov. 4—In Teheran, Iranian students storm the U.S. embassy and seize embassy personnel and other foreigners as hostages, including about 65 U.S. citizens and an undetermined number of non-Americans. The students, who claim to have the approval of Iran's Ayatollah Ruhollah Khomeini, are demanding that the U.S. return Iranian Shah Mohammed Riza Pahlavi to Iran in exchange for the release of the prisoners.

Nov. 5—White House and U.S. State Department spokesmen say that the Shah, who is hospitalized in New York for cancer therapy, will not be returned to Iran.

Several prisoners in the U.S. embassy are paraded before television cameras blindfolded and with their hands tied.

In Teheran, students take over the British embassy for 5 hours; revolutionary guards replace the students to prevent an unauthorized takeover.

Nov. 6—Following accusations that he was conspiring with American officials in Algiers and because the Ayatollah did not order the release of the hostages, Prime Minister Mehdi Bazargan and his government resign. Khomeini orders the Revolutionary Council to take control of the government.

U.S. President Jimmy Carter meets with Secretary of State Cyrus Vance, national security adviser Brzezinski and Defense Secretary Harold Brown and other advisers; continued U.S. diplomatic efforts are being made to free the American hostages.

In the U.N., a spokesman for the Palestine Liberation Organization (PLO) says that PLO leader Yasir Arafat will send a delegation to Iran to secure the release of the hostages.

Nov. 7—Former U.S. Attorney General Ramsey Clark and Senate Select Committee on Intelligence member William Miller are named as special U.S. envoys to attempt to secure the release of the hostages.

In Qum, Khomeini says he will not meet with special U.S. envoys Clark and Miller.

Nov. 8—White House press secretary Jody Powell issues a statement asking Americans to "behave themselves" because of possible repercussions in Teheran to any American protests.

In a press conference at the U.S. embassy in Iran, the students refuse to negotiate with the PLO delegation or any other group.

The National Iranian Oil Company informs U.S. oil companies that deliveries will be cut by 10 percent.

Nov. 9—Egyptian Ambassador to the U.S. Ashraf Ghorbal meets the deposed Shah in New York Hospital and offers him medical treatment and asylum in Egypt.

The U.S. Department of Defense orders a halt to the shipment of some \$300 million in military spare parts to Iran.

About 900 Iranian students, members of the Moslem Students Association, stage a march in Washington, D.C., in support of the Muslim militants in Iran; thousands of spectators try to shout down the marchers.

The U.S. State Department says it received assurances 3 times from the Iranian government that the American embassy in Teheran would receive adequate protection while the Shah was in New York for surgery and treatment.

The Revolutionary Council appoints Abolhassan Bani-Sadr as Acting Foreign Minister.

Nov. 11—Following his November 9 meeting with Vatican representative Bishop Annibale Bugnini, Khomeini criticizes the Vatican for not protesting the inhuman conditions in Iran under the Shah and his father.

Khomeini warns the U.S. against any economic or military action; he says, "We are a nation of 35 million and many of these people are looking forward to martyrdom."

In Beirut, Lebanon, Iranian students break into the American embassy and burn the U.S. flag; Arab League peacekeeping troops disperse the demonstrators.

Nov. 12—PLO representatives give up their attempt to negotiate with the Ayatollah for the release of the prisoners.

U.S. President Carter orders the immediate halt in oil imports from Iran; he says that the U.S. will not accede to Iranian demands for the return of the Shah and asks for energy conservation in the U.S.

Nov. 13—Foreign Minister Bani-Sadr requests an emergency meeting of the U.N. Security Council.

In Washington, D.C., the Justice Department orders all Iranian students in the U.S. to report to the Immigration and Naturalization Service within 30 days. Those with expired visas will be deported.

U.S. Defense Department spokesman Thomas Lambert says that a U.S.-British joint naval exercise in the Arabian Sea, scheduled 6 months ago, will take place today as planned.

Nov. 14—Bani-Sadr announces that the government plans to withdraw its funds from U.S. banks and their overseas branches. He says, "The story of the taking of the Shah [to the U.S.] is that he was a middleman for Rockefeller and Kissinger, for Chase Manhattan Bank."

In response to the Iranian announcement, U.S. Treasury Secretary G. William Miller says that the U.S. is freezing all official Iranian assets in American banks today by executive order.

U.S. Secretary of State Vance and U.S. diplomats

confer with U.N. diplomats in New York to prevent a Security Council discussion on Iran, until our "hostages are safely released from custody in Iran."

Ramsey Clark is recalled to Washington, D.C.; he was unable to persuade Iranian authorities to meet with him in Teheran.

Nov. 15—Bani-Sadr is appointed Minister of Economic and Financial Affairs and Ali Akbar Moinefar is named Minister of Petroleum.

Speaking to the annual AFL-CIO convention in Washington, D.C., President Carter says that the holding of 62 American hostages in the U.S. embassy is "an act of terrorism totally outside the bounds of international law" and that the U.S. "will not yield to international terrorism or to blackmail."

Nov. 16—Iranian students at the U.S. embassy say that if the Shah is allowed to leave the U.S. for any country other than Iran "the hostages will find themselves in more difficult conditions."

Nov. 17—The Ayatollah orders the release of all female and black American hostages "whose spying was not proven."

Nov. 18—The Ayatollah says that if the Shah is not returned, the American hostages will be tried as spies.

Nov. 19—Commerce Minister Reza Sadr says Iran will no longer pay for imported goods with U.S. dollars.

Three Americans—two black Marines and a female secretary—are released.

Nov. 20—The White House issues a statement saying that although the U.S. prefers a peaceful solution, it can resort to other "remedies" under the U.N. charter to rescue the hostages. Meanwhile, the Department of Defense reveals that another carrier and 5 escort vessels have been sent from the Philippines to the Indian Ocean south of Iran.

10 more Americans—4 women and 6 blacks—are released and flown to Wiesbaden, West Germany.

In Mecca, Saudi Arabia, gunmen seize the Grand Mosque and take hostages.

Nov. 21—Saudi troops surround the mosque but are unable to rout the gunmen, who are believed to be members of a fanatic Muslim sect; the leader claims to be the Mahdi, the Islamic Messiah.

In Islamabad, Pakistan, responding to a radio report that blamed the U.S. for the takeover of the Grand Mosque in Mecca, hundreds of Pakistanis storm the U.S. embassy, set it on fire and kill a U.S. marine. Pakistani troops finally free the 100 Americans hiding in the burning embassy.

White House officials say that Iran will be held "strictly accountable" for any physical harm to the American hostages.

Nov. 22—The body of a 2d American is found in the burned-out U.S. embassy in Islamabad, Pakistan.

The 5 non-American hostages are released from the U.S. embassy in Teheran.

Nov. 23—Iran's Economic and Foreign Minister announces that Iran is repudiating all foreign debts.

Nov. 24—Khomeini accuses the U.S. and Israel of "attempting to occupy" the Grand Mosque in Mecca; he urges all Muslims to "... rise up and defend Islam."

Nov. 25—U.S. Representative George Hansen (R., Idaho), in Iran on a self-appointed mission, is allowed to see the American hostages.

Saudi Arabian sources report that the Saudi National Guard has regained almost complete control over the Grand Mosque in Mecca.

Invoking a special prerogative, U.N. Secretary Gener-

al Kurt Waldheim calls an emergency meeting of the U.N. Security Council on Iran.

Nov. 26—In Teheran, the Revolutionary Council asks the U.N. to delay the debate on Iran for a week.

Nov. 27—At the U.N., the Security Council receives a letter from Acting Foreign Minister Bani-Sadr saying that he will attend an emergency Security Council meeting on the Iranian crisis; the meeting is scheduled for December 1.

In Teheran, Khomeini attacks the proposed Security Council meeting as a "made-to-order ... meeting whose course has been predetermined."

Nov. 28—At a nationally televised prime time news conference, President Carter denounces the treatment of the American hostages and warns Iran of "grave consequences" if they are harmed.

In Washington, D.C., Defense Department analysts report that the Iranian army is in disarray and that Khomeini has ordered civilian mobilization.

Bani-Sadr is removed as Acting Foreign Minister; he will retain his post as Minister of Economic and Financial Affairs. Director of state television Sadegh Ghotbzadeh is named Foreign Minister.

The government of Iran files a suit in the New York State Supreme Court asking for an award of \$56.6 billion in damages against the Shah and his wife because of funds they allegedly stole from Iran and for the immediate creation of a trust to take control of the Pahlavi assets.

Nov. 29—Mexican Foreign Minister Jorge Castañeda announces that his government will not permit the deposed Shah of Iran to return to his temporary home in Mexico.

U.S. Secretary of State Cyrus Vance asks the World Court to act as soon as a quorum of 15 judges can be gathered to ask Iran to release the American hostages and to refrain from further acts inflaming the Iranian people over the hostages.

It is reported that there are 50 American hostages, not 49.

Nov. 30—In Teheran, Foreign Minister Ghotbzadeh announces that Iran will not send a delegate to the U.N. Security Council meeting.

Egyptian President Anwar Sadat reissues his invitation to the Shah to give him sanctuary in Egypt.

Muslim demonstrators march on U.S. embassies in the Philippines and Kuwait in support of the Ayatollah's call for worldwide Islamic support of his policies; bombs explode in the U.S. embassy in Bangkok.

North Atlantic Treaty Organization (NATO)

(See also *West Germany*; *U.S.S.R.*)

Nov. 7—At a military parade in Moscow, Soviet Defense Minister Dmitri Ustinov addresses the troops and attacks the U.S. and NATO for improving NATO's military arsenal in Europe.

Nov. 14—U.S. Defense Secretary Harold Brown closes a 2-day meeting of the NATO Nuclear Planning Group (consisting of NATO countries' defense ministers) in The Hague and calls for the modernization of NATO's nuclear arms to meet the increasing Soviet threat.

Nov. 22—In Bonn for 3 days of talks, Soviet Foreign Minister Andrei Gromyko says that upgrading of NATO's nuclear missiles can only harm the future progress of détente.

Organization of Petroleum Exporting Countries (OPEC)

Nov. 17—Meeting at the U.N., the 119 developing nations

in the Group of 77 report that they have received a supposedly firm commitment from OPEC for quick loans and cash grants as an aid to their economies.

Nov. 26—Iran's Oil Minister Ali Akbar Moinefar says that Iran will reduce daily oil production in 1980.

Abu Dhabi announces a 5 percent cut in her oil production for 1980; Kuwait plans reductions in oil production as soon as practical.

Southeast Asian Refugee Problem

(See also *U.S., Foreign Policy*)

Nov. 1—U.S. House of Representative members urge U.S. President Jimmy Carter to "take immediate steps to launch a joint U.S.-Soviet airlift of . . . humanitarian and relief supplies to the people of Cambodia."

Nov. 5—Secretary General of the U.N. Kurt Waldheim opens a conference in New York to discuss the Cambodian refugee problem and aid for the starving people of Cambodia.

Nov. 6—51 nations at the U.N. conference on Cambodia pledge \$200 million in aid for Cambodia.

Nov. 13—U.S. President Jimmy Carter asks international groups trying to aid Cambodia to avoid criticism of groups or countries accused of blocking aid to the starving Cambodians.

United Nations

(See also *Intl, Iranian Crisis, OPEC, Southeast Asian Refugee Problem; Cambodia*)

Nov. 14—After 3 days of debate, the General Assembly votes 91 to 21, with 29 abstentions, to approve a resolution calling for the withdrawal of "foreign" troops from Cambodia. The resolution is aimed at Vietnam, which has the only foreign forces in Cambodia.

ARGENTINA

Nov. 16—President Jorge Rafael Videla bans labor unions from participating in political activity and from collecting funds except from their members.

BOLIVIA

Nov. 1—In La Paz, a military contingent led by Colonel Alberto Natusch Busch overthrows the recently elected civilian government of Walter Guevara Arze. Natusch declares himself President.

Nov. 2—Workers protesting the overthrow of the Guevara government and the new military regime declare a general strike in La Paz.

In Washington, D.C., the U.S. Department of State cancels its \$27.5-million military and economic assistance program to Bolivia.

Nov. 4—Colonel Natusch imposes martial law and press censorship and suspends Congress.

Nov. 5—The general strike continues; military troops and demonstrators clash in La Paz; 20 people are reported killed.

Nov. 7—Natusch rescinds the martial law order and press censorship.

Nov. 10—Congress refuses to recognize the government of Colonel Natusch; Congress also refuses to permit an interim government of 3 junta members to rule until an elected President takes office in August. Elections are scheduled for May, 1980.

Nov. 16—Congress elects Lidia Gueiler Tejada as acting President until the elections. Before Congress met, Natusch agreed to resign; he had the support of neither the military nor the Congress. Gueiler is the 1st woman President in the nation's history.

Nov. 17—The U.S. government resumes military and economic assistance.

Nov. 23—President Gueiler orders General Luis Garcia Meza, army commander, to resign. General Garcia Meza refuses and puts his troops on alert.

Nov. 25—President Gueiler appoints General Rubén Rocha as army commander.

CAMBODIA

(See also *Intl, Southeast Asian Refugee Problem*)

Nov. 18—The Thai government agrees to permit Cambodian refugees to cross the border and to provide temporary shelter for them.

CANADA

Nov. 7—The government of Prime Minister Joe Clark wins a vote of confidence by 2 votes in the House of Commons.

Nov. 21—Former Prime Minister Pierre Elliott Trudeau resigns as leader of the Liberal party.

CHINA

(See also *U.S.S.R.*)

Nov. 3—Prime Minister Hua Guofeng leaves London and arrives in Rome, Italy, for a state visit.

Nov. 6—Prime Minister Hua leaves Rome and returns to Beijing; he spent 23 days visiting France, West Germany, Britain and Italy.

Nov. 7—A high court in Beijing rejects an appeal by dissident Wei Jingsheng for reduction of his prison sentence of 15 years on charges of passing military secrets to foreign correspondents.

Nov. 26—In Lausanne, Switzerland, for the first time in 32 years the International Olympic Committee votes to accept athletes from China. Athletes from Taiwan will be allowed to compete, but not under the flag of the Republic of China.

EGYPT

(See also *Intl, Iranian Crisis; Israel*)

Nov. 19—President Anwar Sadat travels to Mount Sinai, recently returned to Egypt by Israel, to celebrate the 2d anniversary of his historic trip to Jerusalem.

EL SALVADOR

Nov. 9—The United Action Front says it will continue to fight the new junta by strikes and popular mobilization. On November 5, the Popular Revolutionary Bloc signed a truce with the junta.

Nov. 28—Terrorists kill the former Mayor of San Martín, Lino Guzman; the Popular Liberation Front claims responsibility.

In San Salvador, South African ambassador Archibald Ganner Dunn is kidnapped by terrorists.

EQUATORIAL GUINEA

Nov. 2—In Washington, D.C., the U.S. State Department restores diplomatic relations, which were broken off in 1976.

FRANCE

Nov. 30—The National Assembly approves an abortion law provisionally adopted in 1974.

GERMANY, WEST

(See also *Intl, NATO*)

Nov. 14—Defense Minister Hans Apel says that "conditions have been met" for the deployment of U.S. in-

intermediate-range nuclear missiles on German territory under NATO auspices.

HAITI

Nov. 9—In Port-au-Prince, a conference of about 3,000 human rights activists and foreign diplomats is broken up by unidentified men who attack the delegates.

Nov. 25—Following international protest over the November 9 beating of delegates, the government says it will establish a human rights section in its Department of Foreign Affairs; there are no plans for an investigation of the incident.

IRAN

(See *Intl, Iranian Crisis*)

INDIA

Nov. 27—Industries Minister K. Brahmananda Reddy resigns from the Congress party and from his Cabinet post; he joins the party of former Prime Minister Indira Gandhi.

ISRAEL

Nov. 1—The Cabinet postpones a decision on the future of Israeli settlements in the West Bank of the Jordan River.

Nov. 7—Yigal Hurwitz is named Finance Minister; interim Finance Minister Simcha Ehrlich is named Second Deputy Prime Minister.

Nov. 8—In Jerusalem, the Supreme Court rules that the government may not expel Arab Mayor Bassam Shaka of Nablus in the West Bank for comments sympathetic to a 1978 Palestinian raid. His comments, made privately and leaked to the press, have led to reports that the government plans to deport him.

Nov. 9—Defense Minister Ezer Weizman tells the Supreme Court that the government intends to deport Shaka.

Nov. 11—Israeli military authorities arrest Shaka and imprison him in Tel Aviv.

The Cabinet votes to continue building new settlements on state-owned land in all the occupied territories.

Nov. 13—In Lisbon, the Israeli embassy is attacked; Ambassador Ephraim Eldar is wounded and his bodyguard is killed; 3 others are also wounded.

Nov. 14—The Ministerial Defense Committee, which includes Prime Minister Menachem Begin and members of the Cabinet, decide to expel Nablus Mayor Shaka.

To protest the Defense Committee decision, all 25 mayors of the West Bank area and Gaza Strip resign.

Nov. 15—The Mount Sinai area of the Sinai is returned to Egypt two months ahead of schedule.

Nov. 21—The Israeli military governor returns to Arab owners 31 of the 175 acres of the controversial Elon Moreh settlement.

Nov. 22—The Supreme Court refuses to order the release of the imprisoned mayor of Nablus until a judicial review is completed.

Nov. 25—In Sinai, as part of the Middle East peace agreement, Israel returns to Egypt the Alma oil fields in the Gulf of Suez; the oil fields were providing Israel with 20 percent of her energy needs.

JAPAN

Nov. 1—Following the October 30 resignation of Prime Minister Masayoshi Ohira's recently formed Liberal Democratic government, opposition groups within the party continue to negotiate on the composition of a new government.

Nov. 6—In a special session, Parliament votes to elect a new Prime Minister; Prime Minister Ohira wins the

election against party rival and former Prime Minister Takeo Fukuda.

Nov. 8—Prime Minister Ohira names his Cabinet; Saburo Okita is named Foreign Minister, replacing Sunao Sunoda, Yoshitake Sasaki is named Minister of International Trade, and Noboru Takeshita is named Finance Minister.

KENYA

Nov. 10—Nationwide parliamentary elections are held; these are the first elections since President Jomo Kenyatta died 15 months ago.

KOREA, SOUTH

Nov. 3—Funeral services are held for President Park Chung Hee.

Nov. 6—The Ministry of Defense issues a statement on the assassination of President Park; Korean Central Intelligence Agency director Kim Jae Kyu is accused of planning the coup.

Nov. 12—Kim Jong Pil is selected to head the ruling Democratic Republican party; a former director of the Korean Central Intelligence Agency, he was Prime Minister from 1971 to 1975.

Nov. 17—Members of the ruling Democratic Republican party and the opposition New Democratic party meet for the 1st time in 2½ years; they agree to work together to revise the constitution and to restore democratic rule.

Nov. 23—In Seoul, riot police arrest 96 protesters at the first anti-government rally held since Park's death. The demonstrators were protesting the recent government decision to select the next President in the electoral college rather than by popular election.

Nov. 27—The Martial Law Command announces that 8 men, including the former intelligence director, have been formally charged with Park's assassination.

LEBANON

(See *Intl, Arab League, Iranian Crisis*)

MOROCCO

(See *Western Sahara*)

NAMIBIA (SOUTH-WEST AFRICA)

Nov. 16—In U.N.-sponsored talks, Angola, Botswana, Zambia, and the South-West African People's Organization agree to establish a demilitarized zone along Namibia's borders with Angola and Zambia; South Africa attended the talks but did not agree.

PAKISTAN

(See *Intl, Iranian Crisis*)

SAUDI ARABIA

(See *Intl, Iranian Crisis; U.S., Foreign Policy*)

SOUTH AFRICA

(See *Namibia*)

SPAIN

(See also *U.S.S.R.*)

Nov. 11—Javier Rupérez, foreign affairs secretary of the Union of the Democratic Center and a member of Parliament, is kidnapped by members of the Basque separatist group, ETA.

TAIWAN

(See *U.S., Foreign Policy*)

THAILAND

(See *Cambodia*)

TURKEY(See also *Vatican*)

Nov. 12—Prime Minister Suleyman Demirel presents his new 28-member Cabinet to Parliament; all the Cabinet members belong to the Justice party.

Nov. 25—Prime Minister Demirel wins a vote of confidence in Parliament.

U.S.S.R.(See also *Intl, NATO, West Germany*)

Nov. 5—President Leonid I. Brezhnev offers to begin negotiations "right away" to reduce the number of Soviet missiles aimed at West Europe if NATO decides against deploying American missiles in West Europe.

Nov. 19—In Madrid, Foreign Minister Andrei Gromyko publicly warns Spain to stay out of the North Atlantic Treaty Organization.

Nov. 21—In Madrid, Gromyko warns against any outside interference in Iran.

Nov. 27—In Moscow, First Deputy Prime Minister Nikolai A. Tikhonov is promoted to full membership status in the Politburo. Mikhail S. Gorbachev, a national party secretary, is promoted to nonvoting status in the Politburo.

Nov. 28—In its annual economic report to the Supreme Soviet, the chief of the state planning committee reports that agricultural, coal, oil and steel production quotas for 1979 were not met; the projected growth rate for 1980 is set at 4.5 percent.

Nov. 30—In Moscow, Soviet and Chinese delegates conclude 2 months of preliminary negotiations on normalizing relations between the 2 countries.

UNITED KINGDOM**Great Britain**(See also *Intl, Iranian Crisis; Zambia; Zimbabwe-Rhodesia*)

Nov. 1—The Cabinet announces plans to reduce the government's budget by \$7.5 billion, cutting social services and selling some state-owned corporations to the private sector.

Nov. 7—In light of the success of the conference on Zimbabwe-Rhodesia, Foreign Secretary Lord Carrington proposes to Parliament that some economic sanctions against Rhodesia be permitted to expire next week.

Nov. 13—*The Times* (London) resumes publication after almost a year; publication was halted because of labor disputes.

Nov. 15—Prime Minister Margaret Thatcher tells Parliament that Sir Anthony Blunt, former curator of the Queen's art collection, is a confessed Soviet spy and was involved in the Burgess-Maclean spy case 25 years ago.

Buckingham Palace announces that Blunt has been stripped of his knighthood.

The Bank of England raises its basic interest rate from 14 percent to 17 percent.

Nov. 19—The government agrees to hold a debate in the House of Commons on the case of Anthony Blunt.

Nov. 29—In Dublin, Prime Minister Thatcher meets with European Economic Community ministers to discuss Britain's "inequitable" balance of payments deficit with other Community members.

Nov. 30—At the conclusion of the EEC meeting in Dublin, EEC members refuse to grant any tariff concessions to Great Britain.

Northern Ireland

Nov. 22—The Social Democratic and Labor party and the

Ulster Unionists refuse to attend a conference scheduled next month by Secretary of State for Northern Ireland Humphrey Atkins.

Nov. 23—In Dublin, Thomas McMahon is found guilty of murdering Earl Mountbatten of Burma in August and is sentenced to life in prison.

UNITED STATES**Administration**

Nov. 1—The Nuclear Regulatory Commission calls about 50 nuclear experts to Washington, D.C., for an emergency meeting to act on a commission study that shows that most of the nation's nuclear reactors are vulnerable to a function failure in the emergency cooling systems.

Nov. 2—Specialists of the Nuclear Regulatory Commission report that new data presented to the emergency meeting yesterday indicates that no functional failures are likely in reactor emergency cooling systems.

Nov. 6—Special presidential Middle East envoy Robert Strauss confirms that he will resign to become chairman of the Carter-Mondale Presidential Committee; according to the White House, Sol Linowitz will replace him.

At a White House dinner, President Jimmy Carter tells his Cabinet members he needs political loyalty in the upper echelons of the administration and wants their help in his campaign for reelection.

The Federal Aviation Administration notifies Braniff International Airways it plans to fine the company \$1.5 million for persistent "unairworthy flights."

Nov. 16—President Carter nominates Philip M. Klutznick as Secretary of Commerce to replace Juanita Kreps, whose resignation was effective November 1.

Nov. 27—Postmaster General William Bolger announces a U.S. Postal Service surplus of almost \$470 million in fiscal year 1979; this is the first postal surplus in 34 years.

Nov. 29—At the request of Attorney General Benjamin Civiletti, a 3-judge U.S. district court panel in New York appoints a special prosecutor, Arthur Christy, to investigate allegations that White House chief of staff Hamilton Jordan has used cocaine.

Civil Rights

Nov. 4—12 men are arraigned in Greensboro for the murder of 4 anti-Klan demonstrators on November 3.

Economy

Nov. 1—The Department of Labor reports that its producer price list rose 1 percent in October.

Nov. 2—The Labor Department reports that the nation's unemployment rate rose to 6 percent last month.

Nov. 8—The General Motors Corporation lays off 5,750 employees; its total of laid-off workers is 37,250. The Ford Motor Company lays off 24,300 workers; its total of unemployed workers is 53,800. There are now 120,000 unemployed workers in the automobile industry.

Nov. 16—Most major banks raise their prime interest rate to 15.75 percent.

Nov. 20—The Commerce Department reports that the inflation-adjusted gross national product (GNP) for the 3d quarter rose at a 3.5 percent annual rate.

Nov. 24—The Census Bureau reports that the median American family income rose 10 percent, to \$17,640 last year (1978); the inflation rate was 7.6 percent.

Nov. 27—The Labor Department reports that its consumer price index rose 1.0 percent in October.

The Chase Manhattan Bank announces that it is lowering its prime rate to 15.25 percent from 15.75 percent.

Nov. 29—The Commerce Department reports that the U.S. foreign trade balance showed a \$2 billion deficit for October.

Nov. 30—Gold closes on the London market at a record high of \$415.50.

Most major banks lower their prime rate to 15.5 percent.

The Commerce Department reports that its index of leading economic indicators fell 0.9 percent in October.

Foreign Policy

(See also *Intl, Iranian Crisis, NATO, Southeast Asian Refugee Problem; Bolivia*)

Nov. 3—Secretary of State Cyrus Vance arrives in Seoul, South Korea, to attend the funeral of South Korean President Park Chung Hee.

Because of the Iranian crisis, President Carter postpones his November 9 visit to Canada.

Nov. 9—Rosalynn Carter visits the Ban Khaeng refugee camp for Cambodian refugees and the Laotian refugee camp near Ubon Ratchathani.

Nov. 13—Assistant Attorney General John Harmon asks the U.S. Court of Appeals to overturn U.S. District Judge Oliver Gasch's October ruling that President Carter needs the approval of two-thirds of the Senate or a majority in both houses to abrogate the mutual defense treaty between the U.S. and Taiwan.

Nov. 22—The State Department reports that U.S. embassies around the world have been told to take greater precautions for security in light of the seizure of the embassy in Teheran and the attack on November 21 on the U.S. embassy in Islamabad, Pakistan.

Nov. 23—Treasury Secretary William Miller arrives in Riyadh, Saudi Arabia, for conferences with Saudi officials.

Nov. 26—The State Department orders its embassies in 11 Muslim countries to evacuate dependents and nonessential personnel.

Nov. 27—The State Department issues a travel advisory to Americans to avoid unnecessary travel in 11 Muslim countries. Similar warnings have already been issued against travel in Iran, Pakistan and Afghanistan.

Nov. 30—The U.S. District Court of Appeals for the District of Columbia reverses an earlier court ruling; it upholds President Carter's right to abrogate the mutual defense treaty between the U.S. and Taiwan without consent of Congress.

Labor and Industry

Nov. 1—Treasury Secretary William Miller reveals an administration plan to ask Congress to guarantee \$1.5 billion in loans to the Chrysler Corporation, provided Chrysler can raise an additional \$1.5 billion in private loans without federal guarantees and provided Chrysler agrees to various other restrictions.

Nov. 6—The Energy Department files formal charges against 9 major oil refiners specifically charging them with overcharging the public by \$1.18 billion in the 1973-1976 period; the companies deny the charges.

Nov. 15—Retiring AFL-CIO President George Meany opens the AFL-CIO convention in Washington, D.C. President Carter addresses the convention.

Nov. 16—The Federal Aviation Administration announces that American Airlines has paid a \$500,000 fine for improper maintenance of its DC-10 jumbo jets; Continental Airlines paid a \$100,000 fine for similar violations. Both airlines have denied the allegations but chose to pay the fines to avoid legal expenses.

Vice president Sam Church, Jr., replaces ailing United Mine Workers of America president Arnold Miller.

Nov. 19—Secretary-treasurer Lane Kirkland is elected president of the AFL-CIO.

Nov. 23—Texaco, Incorporated, reports a probable commercial-value new natural gas well in the Baltimore Canyon off the New Jersey coast.

Nov. 27—In a broad retrenchment, the United States Steel Corporation announces that it will close 15 plants; some 13,000 production workers in 8 states will lose their jobs.

Legislation

Nov. 1—By a 299-107 vote, the House approves a bill creating an Energy Mobilization Board to speed the clearance for synthetic fuel plant construction and fuel conservation projects; the Senate passed a similar bill in October; the bills go to House-Senate conference.

Nov. 5—In testimony before the House Energy and Power subcommittee, Nuclear Regulatory Commission chairman Joseph Hendrie says that some of the 72 operating nuclear reactors, those near the nation's largest population centers, may have to be closed because it might be too difficult to evacuate crowded areas in case of serious nuclear accident; in view of the Three Mile Island accident, the commission will not permit the construction or operation of new nuclear facilities for at least 6 months and possibly for 2 years.

Nov. 9—The Senate Foreign Relations Committee votes 9 to 6 to send the Strategic Arms Limitation Treaty (SALT II) to the full Senate.

The House and Senate complete congressional action on a \$1.35-billion appropriation to aid needy families in paying their rising fuel bills.

Both the House and Senate approve their own versions of appropriation bills that include an appropriation of \$19 billion to finance a domestic industry to produce synthetic fuels, \$1 billion for solar energy and conservation programs, and \$10 billion for Interior Department operations for fiscal year 1980. The measures go to House-Senate conference.

Nov. 14—President Carter notifies Congress that he will not lift the sanctions against trade with Zimbabwe-Rhodesia. Unless both houses of Congress override his decision, the sanctions against Zimbabwe-Rhodesia will remain in effect.

Nov. 16—By a standing vote of 115 to 63 in the House and a 57-23 vote in the Senate, Congress passes an emergency money bill to remain in effect until September 30, 1980, or until a regular appropriations bill is passed.

Nov. 27—President Carter signs the \$1.35-billion appropriation bill to help needy families pay fuel bills.

Nov. 28—Voting 206 to 186, the House adopts the \$547.6-billion congressional fiscal 1980 budget; the Senate passed the budget last week.

Nov. 30—By a vote of 81 to 2, the Senate confirms the appointment of Shirley M. Hufstедler as Secretary of Education.

Military

Nov. 24—In a report prepared for Senator Charles Percy (R., Ill.), the General Services Administration says that, contrary to Defense Department assertions, U.S. marines and soldiers in Vietnam were sent into areas shortly after the areas had been sprayed with the defoliant Agent Orange, which apparently has many toxic effects. According to a U.S. District Court ruling handed down last week, Vietnam veterans allegedly injured by the defoliant and any of their children born deformed can sue the 5 companies who manufactured the chemical.

Politics

- Nov. 1—Senator Howard H. Baker, Jr. (R., Tenn.), announces that he is a Republican presidential candidate.
- Nov. 7—Senator Edward Kennedy (D., Mass.) formally declares that he is a candidate for the Democratic presidential nomination in 1980.
- Nov. 8—California's Governor Edmund Brown, Jr., declares his candidacy for the Democratic presidential nomination.
- Nov. 13—Ronald Reagan, former Governor of California, formally declares his candidacy for the Republican presidential nomination.
- Nov. 30—President Carter cancels his scheduled 6-state political tour because of the Iranian crisis.

VATICAN

(See also *Intl. Iranian Crisis*)

- Nov. 9—In a statement issued at the conclusion of the 5-day meeting of Cardinals, the Vatican says it is running a deficit expected to reach \$20.24 million by the end of 1979.
- Nov. 28—Pope John Paul II arrives in Ankara, Turkey, for a 3-day visit;
- Nov. 29—Pope John Paul meets with Patriarch Dimitrios I, the leader of the Eastern Orthodox church.
- Nov. 30—In Izmir, Pope John Paul and Dimitrios I announce the formation of a joint commission of the 2 churches to help resolve their differences.

WESTERN SAHARA

- Nov. 6—It is reported in Casablanca, Morocco, that 7,000 Moroccan troops have been sent to the Western Sahara to fight the Polisario Front in the southern third of the area. In August, the Polisario signed a peace treaty with Mauritania.

ZAMBIA

- Nov. 3—Guerrilla bases in Zambia are attacked by Zimbabwe-Rhodesian troops; 22 people are killed; since the peace talks in London began, nearly 1,000 people have been killed in the border fighting.
- Nov. 20—Following a series of Zimbabwe-Rhodesian raids on bridges in Zambia, President Kenneth D. Kaunda calls up reservists and cancels leaves. He asks Britain to compensate Zambia for the damage to the bridges caused by the Zimbabwe-Rhodesian government.
- British High Commissioner Leonard Allinson denies Kaunda's charges of British involvement in the raids.
- Nov. 24—After 2 days of demonstrations against the alleged British role in the attacks on guerrilla bases in Zambia, Allinson is recalled to London.

ZIMBABWE-RHODESIA

(See also *U.K.; U.S., Legislation; Zambia*)

- Nov. 2—In London, British Foreign Secretary Lord Carington presents the government's final version of a plan for pre-independence to the representatives of Zimbabwe-Rhodesia.
- Nov. 10—Zimbabwe-Rhodesian Prime Minister Abel T. Muzorewa sends most of his delegation home after they approve the British proposals. Robert Mugabe and Joshua Nkomo of the Patriotic Front are continuing negotiations with the Foreign Secretary.
- Nov. 15—The Patriotic Front agrees to the terms of the British proposal for a transition government and free elections. Under the agreement, the Patriotic Front will have equal status with the forces of the Salisbury government. Talks toward achieving a cease-fire are scheduled to begin tomorrow. ■

THE PALESTINIANS

(Continued from page 41)

part, the Arab governments now appear to have accepted the Palestinian resistance as a legitimate and useful new actor on the Middle Eastern scene.

One of the signal accomplishments of the Palestinian resistance movement has been to establish the Palestinians as a distinct people with real grievances. The PLO has enough political power to be taken seriously; its influence over the Arab oil exporting countries is considerable. In 1974, the PLO won Arab state approval as the sole representative of the Palestinians, and PLO chairman Arafat made an historic address before the United Nations General Assembly. The Palestinian cause has obtained almost worldwide support, as measured by votes on various United Nations resolutions, with only Israel and the United States as significant dissenters. The PLO enjoys official recognition and at least quasi-diplomatic status throughout most of the third world and the Soviet bloc and it has won powerful supporters in the West.

But not a single inch of Palestine has been recovered. Although she is somewhat weakened politically and economically, Israel has if anything increased her military security, and her nuclear capability is already regarded as substantial. Under Sadat, Egypt gives every indication of having dropped out of the Palestinian struggle, except verbally. The United States, while perhaps increasingly resentful of Israel's demands for aid, shows no sign of weakening its fundamental support for a secure Israel. The key question now is whether the United States will continue to acquiesce (albeit with verbal protests) in Israel's control over the West Bank, East Jerusalem and Gaza, to disapprove full self-determination for the Palestinians, and refuse to deal with the PLO.

As the PLO enters the 1980's, it has considerable international resources, but it will face hard decisions in trying to utilize these resources effectively. Should the PLO allow West Bank Palestinians to participate in the highly restrictive autonomy framework proposed at Camp David, or should it continue to try to sabotage this process? Should the PLO declare a total moratorium on guerrilla and terrorist activity, or should it in fact increase terrorism inside Israel and the territories? Should it establish a government-in-exile or continue to function, in form at least, as a liberation organization? Should it agree with Jordan on some type of shared jurisdiction in the territories? Should it declare its readiness to recognize Israel as a legitimate state, or should it revert to a more militant stand?

If the Palestinian leadership and people have learned from their experiences in the 1970's, they will be a formidable diplomatic force in the 1980's. ■

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